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Social Security Bulletin

October 1939

Special Articles

**The Law and Administrative Practice as Barriers
to Mobility of Population**

Social Insurance for Special Groups in France

Railroad Unemployment Insurance

Survivor Payments Under the Railroad Retirement Act

Children in Urban and Rural Families

**FEDERAL SECURITY AGENCY
SOCIAL SECURITY BOARD
WASHINGTON, D. C.**

Volume 2

Number 10

**FEDERAL SECURITY AGENCY
SOCIAL SECURITY BOARD**

WASHINGTON, D. C.

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Social Security Bulletin

Volume 2

OCTOBER 1939

Number 10

SOCIAL SECURITY IN REVIEW

IMMEDIATE effects of the Social Security Act Amendments of 1939 were reflected in operations during the latter part of August under the old-age and survivors insurance program. Discontinuance of lump-sum payments to workers at age 65 resulted in a sharp decline to 10,946 in the number of claims certified. Only 1,499 claims filed by workers at age 65 were certified for payment during the month. All claims of this type which had not been adjudicated by August 11 were disallowed, and the claimants were notified that under the terms of the amended Social Security Act they may be eligible for regular monthly retirement benefits after January 1, 1940. From January 1, 1937, when these claims became payable, up to the end of August 1939, 178,585 lump-sum payments were certified to the Secretary of the Treasury for workers who had reached the age of 65. Payments for these claims, together with 229,777 payments certified for the heirs of deceased workers, amount to a little more than \$22.5 million.

Since many workers who have received lump-sum payments may now be able to qualify for regular monthly benefits after January 1, 1940, the Bureau of Old-Age and Survivors Insurance has begun a review of all claims for payments at age 65. On the basis of this review, the workers affected will be informed of their potential rights under the amended act. In the event that a worker who has received a lump-sum payment subsequently becomes eligible for monthly benefits, the amount of the lump-sum payment will be deducted from his monthly benefits.

New regulations, procedures, and forms are being developed by the Bureau of Old-Age and Survivors Insurance in preparation for inauguration of monthly benefit payments in 1940. One phase of this activity involves investigation of various types of records affording possible proof of the age of persons who claim benefits. Efforts

are being made to locate and coordinate all available sources and types of official records likely to yield this information. Arrangements also are being made with appropriate State agencies whereby local registrars of vital statistics will forward to the Social Security Board copies of certificates or proofs of death of persons holding social security account numbers. Prompt receipt of these forms will enable the Board to discontinue the issuance of checks to beneficiaries who have died and to begin payments promptly to any survivors who may be entitled to benefits. Arrangements of this kind have already been made with several States, and it is expected that others will be completed in the near future.

Simultaneously with the development of new regulations and procedures, the Board is developing its field-office facilities in anticipation of increased activities in connection with payment of monthly benefits. The Board has planned to open 98 additional field offices between November 1, 1939, and January 1, 1940.

More than twice as many requests from workers for statements of 1937 wages recorded in their accounts were received during August as in the preceding month. This increase probably reflects to some extent public interest in the effect of the amendments. A measurable increase was also recorded during the month in the number of employee accounts established. By August 31 the cumulative total of these accounts was nearly 45.7 million.

PLACEMENT activities of public employment offices during August indicate a significant improvement in employment opportunities in many parts of the country. Approximately 254,000 private placements were made during the month. This total, the highest on record for any month, was 20 percent higher than the total for the preceding month and 34 percent above that for August 1938.

Largely as a result of the increased volume of placements, the active files of registrants in public employment offices declined to 5.8 million by the end of August, despite an increase in the number of new applications filed, which exceeded the total for the previous month by 13 percent. The active file at the end of August was at the lowest level since December 1937 and was more than 28 percent below the level at the end of August 1938.

Notwithstanding the improvement during the month in placements, the amount of unemployment benefit payments increased about \$8.9 million to approximately \$44.5 million. Aggregate payments for the States which paid benefits throughout July and August were nearly 17 percent higher than in July. The increase in total benefit payments was accounted for in part by payments in Illinois and Montana, which completed their first full month of benefit payments in August. It reflected further the effects of administrative factors such as the initiation of new benefit years for many workers in July. These factors, rather than new compensable unemployment, thus were largely responsible for the increase. This is indicated by the fact that the volume of initial and reopened claims received in the local offices of State unemployment compensation agencies declined by more than 27 percent from the total for July.

IN AUGUST, for the third successive month, the estimated number of different households receiving public assistance and earnings under Federal work programs in the continental United States was lower than the figure for the corresponding month in 1938. The estimated total for August of 6 million households, probably comprising about 17.6 million persons, was the lowest for any month since January 1938.

Obligations incurred from Federal, State, and local funds for payments to recipients of public assistance and earnings of persons employed under Federal work programs in the continental United States amounted to approximately \$275.8 million for August, a decrease of 1.4 percent from the total for the previous month. The decrease was accounted for entirely by reductions in the amount of earnings under programs of the Work Projects

Administration and the Civilian Conservation Corps. An increase of 5.4 percent was reported in the amount of obligations incurred from State and local funds for general relief extended to cases, which had been declining steadily since April.

FUNCTIONS and personnel of the Office of the General Counsel of the Social Security Board have been transferred to the office of the Administrator of the Federal Security Agency in accordance with a recent order of the Administrator. Under the new arrangement the General Counsel of the Federal Security Agency will perform legal services for all divisions of the Agency, including the Social Security Board. Certain personnel functions of the Bureau of Business Management of the Board also are being centralized in the office of the Administrator, and Robert M. Barnett, formerly Director of the Bureau of Business Management, has been named Director of Personnel for the Agency.

THE PLANNING COMMITTEE of the White House Conference on Children in a Democracy has recommended that President Roosevelt be asked to call the Conference into session January 18, 1940, according to a recent announcement by the Children's Bureau. In its recommendation the Committee declared: "In such a time as the present, the needs of childhood require particular attention. Despite international problems the responsibility for meeting the continuing needs of the children must be accepted . . . The White House Conference on Children in a Democracy has been charged by the President of the United States with the duty of reviewing the extent to which children are deprived of those things which are essential to their development and the ways by which, as individuals, and through organized effort, public and private, we may open up opportunities for them which are now lacking . . . In order that the major conclusions of the Conference and suggestions for a follow-up program may, in this critical time, receive the early attention of the general public, the Planning Committee recommends that the President be asked to call the Conference into session from January 18 to 20, 1940, in Washington."

THE LAW AND ADMINISTRATIVE PRACTICE AS BARRIERS TO MOBILITY OF POPULATION

RUTH O. BLAKESLEE*

THE EFFECT of the law on the mobility of population has many facets and far-reaching ramifications. For practical reasons, it seems desirable to limit this discussion of the subject to the special concerns of the public-assistance agencies with respect to legal and administrative problems arising from law and custom in dealing with individuals who apply for public assistance in a community other than that of their origin. Constructive planning for the care of such individuals and their families is complicated and often made impossible by the artificial boundaries set up by our Federal and State systems of government. In a Nation founded on principles of religious and political freedom and dedicated to the purpose of affording to its citizens a maximum of personal opportunity, we find ourselves in a curious situation. At the time when our system of government was established, social and economic boundaries conformed with, or were included within, those of the State and local units of government. It was in these early days that most of our settlement laws were established. These early laws were patterned on the Elizabethan poor laws, which, because of economic and social conditions in frontier communities, did not conflict in practical application with the principles and purposes of democratic government. However, with the rapid growth of our population, the greater mobility of that population, and the increasing complexity of social and economic intercourse, the artificiality of these boundaries has presented practical problems in administration, in taxation, and in farsighted and constructive social planning. A historical study of the enactment of settlement laws and of their administration would be an engrossing subject. In consideration of immediate problems of public-welfare administration, however, we must accept the fact that, although settlement laws of the various States were suitable to the times and circumstances in which they were enacted, their suitability arose from their expedi-

ency rather than their compatibility with the purposes of our Government; it is in the light of the purposes of our Government that we must review our legislation and adapt our administrative practices as they apply to current social and economic conditions.

The problems in public welfare, insofar as they involve residence of the individual and relationships between States, arise chiefly in relation to five different processes.

The first of these processes is the migration of labor. With the mechanization of industry and the development of large-scale production, families tend to move to urban centers to be near employment possibilities, or the individual members scatter in search of remunerative, interesting, or steady work. In some areas industries have moved to new localities to be nearer raw materials, to evade State or local taxes, to use a cheaper labor supply, or to evade pressures from organized labor. Former employees have followed these industries, or new families have come into the community in the hope of finding vocational opportunities. Families and individuals are moving from place to place in search of seasonal employment—in the beet fields, fisheries, orchards, and canning industries, for example, which operate largely by the use of migratory labor. In some areas concern has been expressed about the impetus given to migration of labor under Public Works or Works Progress Administration projects.

The second process is the moving about of the nomadic family. There has always been a portion of the population that moved about aimlessly from place to place, depending largely on luck or local charity for maintenance and without regard for the health or essential needs of the children. This group may have been increased somewhat in recent years by some families who have made a sound effort to seek some way out of the doldrums of unemployment or to escape from inadequate or unwise local practice of relief administration. Unable to strike roots in a new community, they have abandoned efforts to reestablish themselves and have adjusted to an itinerant way of life.

* Bureau of Public Assistance, Division of Standards and Procedures. Paper presented at the National Conference of Social Work, Buffalo, New York, June 10, 1939.

The third process is mobility for personal reasons, to be near relatives and friends, to benefit by climatic conditions conducive to maintaining or recovering health, or to be near educational facilities and resources for children. Some of these migrants are receiving public assistance from the States of their origin, but they fall ill and must be hospitalized, or die and must be buried, in the community in which they happen to be living. Some communities with comparatively adequate standards of assistance express fear of migration of persons from communities with less generous standards.

The fourth process is the crystallization and articulate expression of public opinion. With increasing sensitivity to the problems of nationalism and local interest, attitudes are developing as a result of which, in some communities, the foreign-born and nonresident are being singled out and identified as a categorical group. This process is of particular importance in the face of the present international situation and a consideration of our responsibility toward those from other countries who are seeking shelter and opportunity to earn a living in this country, and those citizens from stranded communities who seek, from necessity, a means of livelihood in a new community.

The last process is that of placement of children in foster homes, hospitalization of aged and infirm, or transportation of dependent persons by public agencies to communities outside of the State of their domicile. Sometimes this is done with adequate financial provision by the State which makes the arrangements for the care of the individual, sometimes it is done to enable the individual to make use of natural resources available through relatives or fraternal or religious organizations and to relieve the State of origin of financial responsibility. Individuals so placed, however, frequently fall into necessitous circumstances not provided for by the financial arrangements of the State of origin, and their problem must be handled by the State in which the family or individual is domiciled.

The Social Security Act does not establish a residence requirement as a condition of eligibility for public assistance, but it prohibits the Social Security Board from approving a plan that requires as a condition of eligibility for aid to the blind or old-age assistance a residence of more than

5 out of 9 years or 1 year continuing residence, or, for aid to dependent children, a residence requirement for a child of more than 1 year. The Social Security Board has recommended that, insofar as practicable, people should be cared for in a place of residence of their own choosing and where it is in their interests to remain.

Problems within and between the States with respect to residence existed long before the Social Security Act, but with availability of Federal funds, the development of State governmental responsibility for needy individuals, and the centralization of authority in a single State agency these problems have been thrown into sharp relief and have been recognized as of common concern among the States. The conflict, confusion, and ambiguity of our State settlement laws have been forced into the foreground of public interest because of the practical problems arising in the administration of public assistance.

The function of the agency with respect to residence of applicants for public assistance is conditioned for the main part by four factors:

1. Legal limitations in settlement laws, residence requirements in the public-assistance statutes, and limitations placed on the use of appropriations;
2. The adequacy of funds obtainable and the facilities of the agency;
3. Precedent in agency practice or in the State government;
4. Attitudes of the community.

Some measure of growth is to be marked in the elimination of local residence requirements or settlement restrictions as conditions of eligibility for public assistance. Wide difference in administrative machinery and standards of practice in local units has been, to some extent, replaced by standardization of practice under State rule and regulation and State care for unsettled or nonresident persons. A certain uniformity in the residence requirements within and among States should provide a workable basis for discussion and planning between States. All but four jurisdictions administering old-age assistance have adopted as the residence requirement the maximum permissible under the Federal act—5 years out of 9 and 1 year of continuous residence. One State has adopted an old-age assistance residence requirement of 2 out of 9 years, and three have adopted 1 year. All but six jurisdictions

administering aid to the blind have adopted the Federal maximum, 19 of them qualifying this by the statement "or has lost eyesight while a resident of the State." One State has a residence requirement of 2 out of 9 years, and five a 1-year residence requirement. Two jurisdictions administering aid to dependent children have no residence requirements; the others all have established the 1-year residence requirement for the child, which has done away with some of the problems centering around derivative settlement, i. e., settlement of a child derived from that of his parents. The extent to which the maximum residence requirements permissible under the Federal act have been adopted by the States is one indication of the apprehension with which the problem is approached. It is particularly disturbing to note that prior to the enactment of the Social Security Act only two States had residence requirements greater than 5 years for legal settlement as establishing a right to relief. A residence requirement of 1 year was most general, obtaining in 22 States. Eleven States had residence requirements of less than 1 year, five States had residence requirements of 5 years or less, nine jurisdictions had no specific provisions for requiring residence or settlement. Some States have come to feel that they are bearing an undue proportion of expense in caring for needy individuals and by evasions of principle are attempting to handle the problem by arbitrary interpretations of residence, excluding or removing from the State those who they believe may become public charges.

The first evasion of principle practiced by the States is in the interpretation of residence requirements. States not overburdened with applications from nonresidents have shown an increasing tendency to interpret residence in terms of physical presence, intention of the individual to establish and maintain a home, and the social and personal considerations involved in his remaining in a given community.

One State department, for example, provides for continuation of assistance to an individual who, after establishing his eligibility, moves to another State until he has become eligible for assistance in the community to which he has moved. The regulations¹ provide that—

¹ Maryland Rule and Regulation #4.

Assistance may be granted out of the State, but only under the following circumstances:

(a) When the granting of the pension will make it possible for the recipient to live with a relative.

(b) When satisfactory arrangements have been made with a local agency for follow-up visits on request.

(c) When the County Welfare Board has approved the arrangement by board action duly recorded in the minutes.

Many of the settlement laws had provision that an individual did not lose settlement in one community until he had gained it in another. The application of this principle needs to be considered in relation to another that was fairly uniform, providing that an individual could not gain settlement in a community during a period in which he or his family were receiving aid. Several States have continued assistance to children placed with relatives in other States or to aged individuals who moved to other States for personal reasons, on the assumption that the State in which the recipients were domiciled would automatically make provision for beginning assistance payments as soon as the recipient had lived in the State for the prescribed period. This often was not possible because of the fact that conditions of eligibility other than residence vary from State to State and because of prohibition on gaining settlement or residence while receiving public aid. A further difficulty is that resentment between States is apt to develop unless an agreement has been reached by the agencies before the removal of the recipient.

Typical of legal interpretation is that in which a court rules that an individual receiving public support could not establish residence in a community as long as he continued to receive support:

No matter how poor a man may be, so long as he is able to support himself and his family and not likely to become chargeable, he has the right to choose his own domicile or remove from one to another, and thus change his legal settlement. But as regards one who is a pauper . . . the State has a right to say how he shall be supported and where, and can require him, while being thus supported at public expense, to stay in the place of his last legal settlement, and if he attempts to go elsewhere, will remove him.²

The solicitor general of an adjoining State rendered an interesting opinion to the effect that WPA employment does not bar an individual from attaining settlement:

The WPA employment is still supposed to be self-sufficient and sustaining employment and not relief in

² *Destitute Home v. Fayette County Almshouse*, 72 Pa. Supr. 491 (1919).

the sense of our welfare law. Settlement may, therefore, be gained for a WPA worker.³

The court said:

Under the normal economic conditions this question would not be so vital, for then there would be a sort of normal balance which would tend to create an equitable distribution of the relief need and load. Likewise, under such conditions there would be normal private employment and a consequent average distribution of workers in the community, dependent on the employment needs thereof. But with the existing situation, natural normal balance is upset and the unemployed and needy are compelled to move to communities which have the largest number of relief projects. The practical result is that the urban communities are the goal for relief workers, as there the greatest opportunity for work relief is found. In other words, there is a trend in the movement of relief needs which is abnormal and is influenced largely by the nature and location of certain relief projects.⁴

Further complications arise from confusing and arbitrary distinctions that are made in the law between settlement, residence, and domicile. In one State it has been ruled:

In our pauper law, the terms residence, dwelling place, home have a different meaning from the word settlement. The place of one's settlement is a place where such person has a legal right to support as a pauper. It may be in a place other than the one where such pauper has his dwelling place, home, or residence. Thus a person may have a settlement in a place where he has never had a residence, as by derivation. So, too, a person may have a residence or home different from their settlement.⁵

A second evasion of principle in the interpretation of law is with respect to exclusion or removal of nonsettled persons. A number of States have taken it for granted that dependent persons or those who may become dependent may be excluded from the State. There are many statutes which impose penalty by a fine or by fixing responsibility for support or removal upon persons who bring "paupers" into the State, and apparently the validity of these statutes has never been doubted. As to the exclusion of such individuals, however, it has been established that the basis must be more than poverty alone. Article IV of the Articles of Confederation provided:

The better to secure and perpetuate mutual friendships and intercourse among the people of the different States in this Union, the free inhabitants of each of these States, paupers, vagabonds, and fugitives from justice excepted, shall be entitled to all privileges and immunities of free

citizens in the several States; and the people of each State shall have free ingress and regress to and from any other State . . .

The admitted purpose of vagrancy laws has been to show homeless men and families or those who were undesirable to a community that they were not wanted in the community. Frequently the threat of arrest has been sufficient to turn them back or to impel them to move on to another community, a process both cruel and ineffectual in meeting the real problem. These laws have not been intended to exclude from a State people willing and able to work. In one State imposing a liability on bringing "paupers" into a State it was held that a railroad could not be held liable if people brought into a State subsequently became public charges if they were not public charges at the time they were brought in.⁶

There is some disagreement as to whether the privilege of free ingress into a State is protected under the privileges and immunities clause of the fourteenth amendment or under the commerce power. In one case the court said that this right was protected under the fourteenth amendment, but Mr. Justice Stone said in his dissent:

If protection of the freedom of the citizen to pass from State to State were the object of our solicitude, that privilege is adequately protected by the commerce clause, even though the purpose of his going be to effect insurance or to transact any other kind of business which is in itself not commerce.⁷

The right of the individual to freedom of ingress to a State raises some problems, particularly in relation to migration in search of employment. Persons are brought into a State by employers under indefinite contracts. They may live and work under conditions that are undesirable from their own standpoint or that of the community. The enterprises in which they are employed fail, and the family becomes dependent upon the community for assistance and protection. Exploitation of labor, particularly of child labor, impels a need to control migration of labor by means of better State and Federal legislation. The State statutes imposing penalties on importation of public charges are ineffective in this respect because they provide that liability exists only where the intent to defraud or evade responsibility has been present and because of the impracticability of proving that an individual was a pauper at the

³ Letter dated Sept. 21, 1936, from the solicitor general of New York to the department of social welfare *In re Matrunki*, 169 Misc. 316, 8 N. Y. Supp. (2d) 471, 475 (Broome County court).

⁴ *In re Matrunki*, 169 Misc. 316, 8 N. Y. Supp. (2d) 471, 483.

⁵ *Inhabitants of Warren v. Inhabitants of Thomaston*, 43 Me. 406, p. 418.

⁶ *City of Bangor v. Smith*, 83 Me. 422, 22 Atl. 379, 380 (1891).

⁷ *Colgate v. Harvey*, 296, U. S. 446.

time of importation. Freedom to move from State to State is a dubious privilege unless the rights and interests of the individual are protected. The elimination of all regulations on exclusion and removal is not desirable, but such regulations should be purposefully administered as they affect protection of the individual as well as the State.

Vagrancy is handled for the most part under local ordinances rather than State law. Because of the effectiveness of the threat in frightening the individual into moving on, the administration of these ordinances probably comes to test in court in relatively few instances. There is unquestionably widespread abuse in the enforcement of such ordinances, resulting in cruelty, evasion of responsibility, and probable increase of the problem as it is passed on to another community. There has been one interesting decision in this respect:

Jersey City police, acting on their own discretion in each individual case, but in conformance with the general policy of the city administration, had on occasion physically transported beyond the city limits certain residents of sister States, and even a resident of Jersey City. This practice was defended on the ground that the policemen were, in some cases, preventing "undesirable" persons from committing "unlawful acts" and, in others, protecting the individual from the wrath of the citizenry of Jersey City. By denying the plaintiffs an opportunity to be arrested for their activities within the city, the police effectively prevented the plaintiffs from attacking the validity of objectionable policies by the ordinary legal method of contesting or appealing a conviction in court.

Since no other city has been brazen enough to claim a legal right summarily to deport "undesirables," there is a paucity of legal precedent on the exact point. Nevertheless, the court was unquestionably correct in enjoining this vicious practice. The Supreme Court has long recognized the privilege of free movement to and from any State [citing *Crandall v. Nevada*, *Twining v. New Jersey*, *Colgate v. Harvey*, and adding in the footnote "While the State can prevent convicts, idiots, paupers, rioters, and diseased persons from entering the State, the power of exclusion would seem to be limited to these special types of cases. *In re Ah Fong*, 1 Fed., Case No. 102 (C. C. D. Cal., 1874)"]; and the principle is obviously applicable to a subdivision of a State. Moreover, the power of a police officer, as the court points out, extends only to making an arrest and conveying the person to a "reasonably convenient trier." The police could presumably request the prospective victim to leave the city; upon refusal to comply the police must either leave him unmolested or arrest him for the commission of some offense.⁸

⁸ Note on Hague Injunction proceedings 48 Yale Law Journal 261-262; 25 Fed. Supp. 127 (D. N. J.). The Hague decision was affirmed by the Circuit Court of Appeals 101 F (2d) 774 and on other grounds by the Supreme Court of the United States.

The California vagrancy statute provides that the State may exclude persons without visible means of support and serves warning that adverse consequences will follow failure to leave the community or the State. Numerous State statutes have provision for return of public charges to their last place of settlement. According to Charlotte Donnell's admirable article in 1930 on settlement law and interstate relationships,⁹ 11 States provided for removal from one district to another within the States; 8 States provided in vague terms for the removal of the public charge to his "place of residence," "elsewhere," or "from the State"; 13 States authorized the enforcing agency to remove the "pauper" to the "country or State" where his residence may be; 3 States provided only for the removal of nonresident "paupers" who have been committed to State institutions.

All these arbitrary interpretations of residence exclusion and removal serve to limit the discretionary power of the State agencies, to impede efficient operation, and to interfere with constructive planning for the individual. They also serve to limit the State agencies in entering into or carrying out the terms of agreements with other States. The obstacles such interpretations create undoubtedly contribute to the expense and confusion that are bases for great concern in the administration of residence laws and regulations.

The States are also limited in their powers of administration by the amounts of funds available. State appropriations for assistance purposes represent new and substantial increases in the State budget. Agencies desiring to protect standards of assistance have sought to restrict the use of State funds to provide adequate assistance for those who had clearly established claims upon the State. Other agencies are finding that their limited funds are being depleted to furnish medical care or to provide burial for persons who are receiving assistance from other States but fall ill while visiting or domiciled away from the State of origin. The confusions and variations in State law and practice with respect to residence create special difficulties with respect to the division of financial responsibility between States.

⁹ Donnell, Charlotte C., "Laws Regarding Settlement in Connection With the Problem of Interstate Relationship Under a Federal System," *Social Service Review*, Vol. IV, No. 3 (September 1930), pp. 427-451.

Much time that should be spent in considering the circumstances in the particular situation must be spent in explaining essential differences in State law and State precedent. What should be done becomes a secondary consideration to precedent and prejudice.

In its approach to the problems of residence the State agency is also conditioned by community attitudes. An agency dependent upon the public for support cannot detach its major policies from public opinion. The agency must, however, remember that the public-assistance agency is in strategic position to know the facts in a given problem, and through all its activities it must exercise planned and constructive leadership in educating the public, directing public opinion, and stimulating social action. An agency with a sincere interest in its problem and a conviction about the way in which that problem can be met can do much to create or condition the community attitudes in relation to which it must work.

In the face of mounting assistance rolls, the community has legitimate concern with a rising tax burden. That concern is usually expressed in skepticism or criticism of the expenditure of public funds for care of those whose behavior does not conform to an accepted social pattern or for care of the outsider. This reaction is a normal one of self-preservation, and it needs to be explored and discussed freely. Unqualified acceptance of a community attitude or defiant rejection of it are equally unsound and equally prone to crystallize unwise practices into unsound law. Social prejudice is frequently based on misinterpretation of facts or on misinformation. For example, I have been asked three times to secure for speakers at this conference the source of a statement that of 2 million children born in 1938, 1.1 million were born in relief families. The statement actually is that of 2 million children born in 1938, "It is estimated that more than 1.1 million births occur each year in families that are on relief or have total incomes (including home produce on farms) of less than \$1,000."¹⁰ The size of the public relief load is not what was implied in the interpretation.

Not long ago I was informed that a store at which I maintain an account was refusing to employ Jewish people. I made inquiry and was

referred to the manager of the store, who produced his employment lists to demonstrate that they are employing Jewish personnel and had taken on Jewish employees within the previous 6 months. He thanked me for making inquiry and showed me two folders of correspondence from persons who were closing their accounts without getting the facts—one group because of alleged refusal to employ Jewish personnel, the other because of the rumor that the store was dismissing old employees to make placements of Jewish refugees. These kinds of propaganda are prone to rise with respect to public administration. They must be faced squarely, traced to their source if possible, and the facts given clear and direct interpretation. The present hostilities and apprehensions with respect to the problem of the alien and the non-resident and others who are dependent on the State need to be replaced with tolerance, a tolerance that is not characterized by sentimentality or disinterest but one based on factual knowledge, understanding, patience, and constructive support in working out the problem.

It has long been recognized that variations in law and practice between the States were not only unsound but were actually creating chaos in State administration of assistance to persons whose residence was not clearly established. The mobility of population is essentially a national problem, and the complex of local problems and limitations cannot be met without uniformity in local practice and an accepted authority to make decisions in disputed questions.

There have been three suggestions of possible solution to the problem:

1. Establishment of a Federal category for the care of the transient from 100 percent Federal funds;

2. Federal legislation defining State residence, regulating moving from State to State, and designating a superior authority to act in disputed points between States;

3. Uniform settlement laws to be enacted by the States and supplemented by interstate agreements.

Under the Federal Emergency Relief Administration the problem of transiency was accepted as a Federal problem. Although the State transient programs were theoretically integrated with the State relief programs and the personnel was administratively responsible to the State agency,

¹⁰ Interdepartmental Committee to Coordinate Health and Welfare Activities, *Proceedings of the National Health Conference, 1938*, p. 39.

the plans were for care of transients financed from Federal funds and the standards established by the Federal agency. The transient program provided for a modest but decent standard of care for nonresidents. It was, however, a target for antagonism and sabotage. Modest though its standards were, thoughtfully planned as they were to protect community health and welfare as well as that of the transients themselves, the standards for transient care were higher than those the communities were willing to maintain for residents, and on this basis resentment developed in local communities against the Federal program. Charges were made that the program was increasing transiency, although it must be admitted that any increase in transiency was more likely caused by unwise and inadequate local administration that impelled families and individuals to seek assistance in communities other than those in which they had resided. The failure to marshal community support behind the transient program resulted in its demolition, a tragic and disheartening end to a valiant effort. It seems logical to assume that a problem of national significance such as that of the nonresident might best be handled by Federal administration and Federal finance. However, one point needs to be considered in relation to the effect of Federal administration on mobility of population and on the individual who seeks to establish himself in a new community. The desire to relieve the State of financial responsibility will keep the individual in the status of a transient as long as he is in need of assistance; he will be barred from the opportunities open to residents of the community, segregated, isolated, perhaps even ostracized as long as it serves the interest of the State to perpetuate his nonresident status. Acute suffering may be alleviated, but the nonresident will not be enabled to exercise a normal and desirable determination in managing his own affairs or in establishing himself in wholesome community relationships. There is some possibility that the establishment of a Federal program for nonresidents would establish a caste not conducive to the best interests of the community or the individual and would not, in the last analysis, meet the problem.

There are, however, advocates of abolition of all settlement laws. As one authority puts it: "The settlement law has never been an unquali-

fied success; it is not now; and I see no reason to believe that it ever will be."¹¹

Such a program, however, would offer greater possibilities if it were to follow and be administered under Federal legislation fixing residence requirements for all States. W. A. Gates at the National Conference of Charities and Corrections in 1899¹² and again in 1912¹³ made proposals for such legislation providing that—

1. Settlement would be attained in all States after 1 year of residence;
2. Removals would be effected by the authorized State agency with consideration for family unity and individual circumstances;
3. Agreements would be worked out between State agencies before removal, with the Federal courts operating in case disputed points could not be resolved by common agreement.

Such a measure would be a constructive step toward bringing to an end some of the present difficulties which arise from the efforts of each State to protect itself by establishing residence requirements a little higher than its neighbors'. It would also be a means of establishing a statutory basis for uniformity of operation that would promote a more constructive service to individuals. It might well be followed by a program for Federal financing of care of the nonresident during the period in which some permanent plan was being worked out for him, a program less subject to destructive criticism than that of the FERA because of its permanent character and because of its relation to each State welfare program and its conformity to the standards of those programs. There are many, however, who believe that Federal legislation in this area would be unconstitutional and that, beyond the powers of the commerce clause and those embodied in the fourteenth amendment, the Federal Government has no authority to act with respect to State residence or settlement.

The uniform State-settlement law has numerous advocates including the Council of State Governments, the National Association of Attorney Generals, and the American Public Welfare

¹¹ Gillin, J. L., "The Need for a Uniform Settlement Law," *Proceedings of the National Conference of Social Work*, 1926, p. 545.

¹² Gates, W. A., "Report of Committee on Immigration and Interstate Migration," *Proceedings of the National Conference of Charities and Corrections*, 1900, pp. 153-158.

¹³ Gates, W. A., "Deportation of Insane Persons, Paupers, and Others From One State to Another," *Proceedings of the National Conference of Charities and Corrections*, 1912, pp. 71-76.

Association. Clear and forceful arguments have been presented by these organizations setting forth the interests of public policy that would justify the establishment of uniform 1-year residence requirements by the States. The residence requirements in the Federal Social Security Act have, however, already become embodied in the State laws, and each State hesitates to liberalize its laws until it is assured that by doing so it will not assume an unequitable share of financial expense. Until a group of States can reach agreements to take the step at the same time, it is unlikely that any State legislature will enact legislation by which it seems that the State has nothing material to gain and something to lose.

For the present, the question of establishing less rigorous and more uniform legislation either on a Federal or on a State level must be pursued. Immediate steps, however, can be taken to eliminate existing inequalities of treatment and the hardship to individuals arising from them.

The transportation agreement with the National Committee on Transportation acting as arbiter operated for many years to promote voluntary cooperative treatment of residence problems by public and private agencies. The signers of this agreement, among other things, agreed to refrain from removing any family, or to assist in the removal of any family, to another community without determining through the appropriate agency in that community that the family would be cared for. In 1933 the National Committee on Transportation ceased to function because, according to one authority, with the establishment of the Federal transient program the committee believed its work was done. The revival of the Transportation Agreement would be expedient at this time to alleviate some of the cruelties arising from unplanned removal or unreasonable exclusion of persons seeking to move to a new community.

Another precedent that might be adopted for use by public-welfare agencies is that of the interstate agreements that have been operating for some years in the field of parole. The Council of State Governments has sponsored the establishment of Commissions on Interstate Cooperation, which now exist in 37 States. The American Public Welfare Association and the Council of State Governments have urged the use of these

commissions to arrange interstate agreements among departments of public welfare. Eleven States have, in their welfare acts, provisions authorizing them to enter into agreements with other States, but, so far as we know, no States have formulated or attempted to establish such agreements.

The public is acutely aware today of the problem of the nonresident and the alien. Feeling is running high, and that feeling, undirected, is likely to become transmitted into thoughtless action that will increase rather than face honestly the problem of the stranger within our gates. We have already faced such action against the noncitizen in the WPA. Pearl Buck, as a citizen returning to a country which, from the distant view, she believed to represent ideals of individual freedom and tolerance, challenged our acceptance of local antagonism and prejudices against the nonresident as incompatible with the ideals on which our Government was founded.¹⁴

In visiting the World's Fair in New York recently I was impressed with the inscription on the Czechoslovakian Building, which was completed by voluntary subscription after having been abandoned by the Government: "When the tempest of wrath has passed, the rule of thy country will return to thee, oh Czech people." The people of a nation under oppression thus indicate that a magnificent heritage of tolerance and idealism lives.

We, too, have a heritage in this country. The fundamental principles of tolerance and of respect for the integrity of the individual personality that are a part of that heritage are clouded at present by confused interpretations of public policy and defensive drives toward protection of State funds to the detriment of a wise economy of public expenditure and the conservation of human values. We are in a strategic and critical period. To meet the challenge before us, leadership informed as to fact, convinced as to principles, must be stimulated through our efforts to establish reasonable, equitable, and uniform residence laws and to administer those laws with constructive consideration of our ideals of family unity and individual opportunity.

¹⁴ Buck, Pearl S., "On Discovering America," *Survey Graphic*, Vol. 26, No. 6 (June 1937), pp. 313-315 ff.

SOCIAL INSURANCE FOR SPECIAL GROUPS IN FRANCE

ALMON F. ROCKWELL*

THE PROVISIONS of French social insurance legislation relating to workers in commerce and industry and in agriculture are familiar to most students of social security. It is not generally realized, however, that a large number of gainful workers derive their protection from "special" plans, each one self-contained and self-administered. In fact, this method of caring for certain groups of the working population is used more extensively in France than in any other large nation with the exception of Brazil, where social insurance is organized exclusively according to individual trades or industries. Specifically, France has separate plans for workers in Alsace-Lorraine, for miners, seamen, railway workers (including street-car and bus operators), employees of State industrial enterprises, postal workers who are not actually covered under the general plan for civil service retirement, and several other groups including employees of gas and electricity companies and the personnel of subsidized national theaters.

The *raison d'être* for these special provisions varies, of course, in each instance, but an important contributing factor is a well-known characteristic of the French people which may be referred to as occupational stability. There is little shifting from one job to another. The son, in most cases, will adopt his father's profession, but if he does embark on one of his own choosing he is more than likely to follow that trade or craft until his retirement or death. Seamen, for instance, are for the greater part natives of certain sections of the country and spend all their working lives at sea in marked contrast to the situation in the United States where seamen, apart from ships' officers and a few other ratings, do not in general follow the sea as a steady occupation. Ships' crews in this country often comprise many young men who, because of temporary unemployment or other reasons, sign on for one voyage or at most a limited number of trips.

As in a number of other European countries, miners are accorded special treatment because of the extra-hazardous nature of their occupation.

Workers in Alsace-Lorraine are treated as a separate group owing to the decision of the French Government to retain the structure of the German system when it regained possession of these provinces; to have brought such workers within the scope of existing French legislation would have raised involved administrative problems. Railroad workers were not subject to the provisions of the general insurance laws for workers in commerce and industry because, although five of the seven main railroad companies were privately owned, they were actually operating under State charter and as such were virtually State institutions. That status was confirmed by the decree of August 31, 1937, which effected the complete nationalization of all railroads by transferring all operating rights, together with all assets and obligations, to the Government.

According to the census of 1931, all these separate groups constituted a little over 7 percent of the working population, and seamen, miners, railroad workers, and workers in Alsace-Lorraine made up the great bulk of that percentage. A brief survey of the operating procedure of these plans reveals several interesting features, but two conclusions in particular stand out prominently. One is that a way has been found to administer social insurance provisions successfully within the framework of a specific industry.¹ The other is that the wage earners themselves not only demand the protection which is afforded them but are willing to contribute towards the operation of the systems at a much greater personal expense than in other countries, where workers are inclined to protest against what they consider unduly high tax rates.

Seamen

Social insurance for seamen, set up as a separate plan in the early part of the twentieth century, has undergone a number of changes designed mainly to bring about much needed simplification. At one time, there were four different methods of compensating sick or injured seamen.

¹ Even in the general law for workers in commerce and industry certain special provisions are made applicable to agricultural workers and domestic servants.

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The system was thoroughly reorganized by the decree of June 17, 1938, and additional modifications were effected by the decree of December 20, 1938.

The principal governing body, under the supervision of the Ministry of Merchant Marine, is the National Institute for Disabled Seamen. It supervises two administrative funds (*caisses*), the General Provident Fund and the Seamen's Pension Fund; the latter combines the earlier Registered Seamen's Pension Fund and the Catering Staff Pension Fund, which, as the name implies, is concerned with employees of the stewards' and pursers' departments.

General Provident Fund

This fund makes provision for benefits in the case of occupational accidents, disability, or sickness for workers of either sex, and in the case of maternity for female workers or wives of insured individuals. Shipowners' contributions amount to 5.75 percent of wages paid during service at sea or on board vessels that are not in commission and are laid up in port; their payments are reduced to 1 percent for all other services, such as temporary assignment to clerical duty ashore, work with a recognized labor union, and so on. The seaman's contribution in the first case amounts to 2 percent of his wages and to 1 percent in the second. When, however, the seaman is the owner of a vessel of more than 30 but less than 35 tons, engaged in deep-sea fishing, coastwise fishing, or coastal trade, his contribution rates are 5 percent and 1 percent, respectively. These rates are reduced to 3 percent and 1 percent when the vessel is of less than 30 tons.

The French Maritime Labor Code of December 13, 1926, provides for shipowners' liability in the case of seamen becoming sick or injured at sea, and conforms with the terms of the International Labour Office Draft Convention No. 55, which was signed by the United States and ratified by the Senate in August 1938, though France had approved but not formally ratified this convention by July 1939. In the case of accidents the fund, upon cessation of the shipowners' liability, assumes the costs of hospitalization, medical and pharmaceutical treatment, artificial limbs, etcetera, in accordance with the scale established for industrial accidents on land. Burial costs are likewise paid by the fund if death is the result of the

injury. While the seaman is temporarily incapacitated for work, the fund grants him a daily allowance equal to 50 percent of his basic wage, and adds 1 franc per day for one dependent child (under 16 years of age); for additional children the supplement is proportionately increased up to 1.80 francs for the seventh and following children.

If the seaman becomes totally disabled, his pension amounts to three-quarters of his basic annual wage, but not less than 5,000 francs per annum. If such a totally disabled individual requires the help of an attendant, he receives an additional nontransferable allowance of one-quarter of his salary, together with a special lump-sum grant of 3,000 francs. When the disability is less than 100 percent, but not below 50 percent, the pension amounts to one-half the assumed wage loss suffered because of the disability, up to the 50-percent degree of incapacity, and the full amount of the wage loss beyond the 50-percent degree. However, in the case of a disability of at least 66 percent, the pension is computed on the basis of one-half the salary, with a minimum of 3,500 francs per annum.

Provisions are likewise made for the widows of disability pensioners but only if the marriage preceded the onset of the disability: if no widow survives, the provisions apply to dependent orphans. If the death of the insured individual occurred as the result of the accident, the widow is entitled to 50 percent of the amount which would have been paid to the insured in the case of total disability. If death occurred while the insured person was in receipt of a disability pension, the widow or the orphan receives one-half the amount which was being paid to him. This amount can, however, be increased to 50 percent of the pension which would have been paid in the case of 100-percent disability if satisfactory proof can be offered that death was directly due to the accident for which the pension was being paid. Pensioners suffering from at least 20-percent disability, or widows of pensioners who have dependent children, receive an increment of 360 francs annually for one child, and up to 660 francs for the seventh and following children.

Upon the cessation of the shipowners' liability for sickness contracted at sea, the fund assumes responsibility for expenses under the same conditions as in the case of accidents. If, however, the sickness is contracted otherwise than at sea

a qualifying period is required; contributions must have been paid up for 50 days of the 90, or 200 days of the 12 months immediately preceding the official notice of sickness. In addition to treatment, cash allowances equal to 50 percent of the basic wage are paid from the fourth day following the official notification of the illness or accident and for a period not in excess of 6 months; if the insured individual is being treated in a hospital, these allowances are reduced from one-fifth to three-fifths, according to the marital and family status of the pensioner. The insured is also required to pay 20 percent of hospital, pharmaceutical, and other related expenses, as well as 20 percent of the cost of transportation to the hospital. Sickness insurance also extends to wives and children if the previously noted qualifying conditions have been met.

Maternity benefits paid to women employees are made up of (1) a cash grant to cover expenses of confinement and delivery; (2) grants during the nursing period not to exceed 850 francs and not to be less than 175 francs per month for the first 4 months; (3) a "rest" payment equal to 50 percent of the employee's taxable wages for the 6 weeks preceding and the 6 weeks following delivery, provided that the insured woman ceases all gainful work. Wives of insured individuals receive only the cash grant to cover expenses of confinement and delivery. Maternity benefits may not be paid unless the insured woman or the husband of the beneficiary has paid contributions for at least 200 days out of the 12 months immediately preceding the delivery.

Seamen's Pension Fund

This organization, together with its affiliated Catering Staff Pension Fund, handles risks of invalidity and old age as well as survivor's pensions. Unlike the General Provident Fund, in which French citizenship is a prime requisite for membership, this fund makes provisions for foreign seamen and requires no contribution payment from them. Here also, in contrast to the other fund, the seamen's contribution is greater than that of the shipowners, the respective amounts being 5 and 3.5 percent, except that the owner is required to pay the entire 8.5 percent in the case of foreign seamen. To qualify for an old-age pension, the seamen must be at least 50 years of age and have had 25 years' service. Invalidity

pensions can be obtained after completion of 300 months' service.

For purposes of pension payments, seamen are divided into six groups according to their rating on board ship, and a definite minimum for the annual pension is set in each case, ranging from 5,000 francs for common seamen to 10,000 francs for masters of ocean-going vessels and similar ratings. Minimum widows' and orphans' pensions for these same categories vary from 2,500 to 5,000 francs a year. The minimum pensions are increased when the average annual wage of the insured person exceeds an arbitrary figure which is set for each group and which varies from 6,000 francs in group 6 to 14,000 in group 1. Specifically, this annual increment amounts to: (1) one-half of the portion of the average wage between the minimum and 18,000 francs; (2) two-fifths of the portion of the average wage between 18,000 and 30,000 francs; (3) one-third of the portion of the average wage in excess of 30,000 francs. The minimum pensions of widows and orphans are likewise increased by one-half of this increment.

Miners

The separate plan of compulsory insurance for miners was set up in 1914, and a number of laws and decrees, passed between 1914 and 1936, were codified by a decree of March 2, 1937, which can be considered the basis for existing provisions. Since that time and up to as recent a date as May 20, 1939, several changes had been made in the contribution rates and the scale of benefits. The last two modifying decrees provided for increased benefits, and it is interesting to note that the Government is keenly appreciative of the importance of mine workers as a group in the national economic system and of the necessity of satisfying their demands insofar as possible. In submitting the decree of May 20, 1939, to the President, the Prime Minister stated that the increased pensions and allowances which the legislation established would "contribute to social appeasement in a branch of production of which the activity constitutes an essential element of our national economy and our national defense."

Old Age and Invalidity

All workers and employees in mines and quarries are compulsorily insured, but foreign workers are

entitled to benefits only when a reciprocal treaty exists with the country of their origin. Such treaties are now in force with Belgium, Germany, Italy, Poland, and Spain. Contributions, which are payable on wages or salaries up to 20,000 francs per year, amount to 11 percent, one-half of which is paid by the worker and one-half by the employer. These contributions are paid monthly by the employer to the Miners' Old-Age Fund, which operates as an administrative body under the supervision of the Ministry of Labor. The State's subsidy is equivalent to 4.5 percent of total wages, together with an additional 100 million francs per year which is derived from the proceeds of a special coal tax.

The normal retirement age for the receipt of an old-age pension is 55, and 30 years of service are required. An individual ceasing work under those conditions is entitled to a basic pension of 7,500 francs per annum increased by 90 francs for each additional year of work over 30 that he may have had on reaching age 55. Retirement at age 55 is not compulsory, and workers electing to remain on the job have their basic pension increased by 140 francs for each year's work after the age of 55. There is likewise a scaled range of pensions for those miners who, on reaching age 55, have worked for more than 15 years but less than 30; these amounts range from 2,752 francs in the first case to 7,204 francs for 29 years' work. An additional provision allows miners who have worked for 30 years, including 20 years underground, to retire with full pension at age 51 in 1939 and 50 from 1940 on.

Invalidity pensions become payable to miners who, after having been in receipt of sickness benefits from a mutual society for 6 months, are declared two-thirds incapacitated and who have worked in mines for 2,640 working days, at least 500 of which must have been in the 2 years preceding the illness. For the first 5 years this pension is paid in the form of monthly benefits of 390 francs, 90 of which are paid by the mutual society and the balance by the Old-Age Pension Fund. After 5 years, this is increased to a flat annual amount of 4,724 francs. When the insured individual reaches the age of 65 he receives an old-age pension. No invalidity benefits are paid, however, if the accident is covered by workmen's compensation laws or if it resulted from the worker's deliberate intent or neglect.

Old-age pensions equivalent to one-half the amount the husband would have received are provided for widows who are 55 years of age. Half-orphans under 12 are entitled to a pension of 72 francs a month, if the father worked in the mines for 792 days during the 3 years preceding his death; this amount is doubled in the case of full orphans. Payment continues to the age of 14 if the child attends school regularly. There are also provisions for small lump-sum payments to widows and orphans on the death of the insured worker.

Sickness Benefits

Sickness insurance is handled through mutual societies, and membership is compulsory for all mine workers as well as for employees of factories connected with mines when so ordered by ministerial decree. Each mutual society determines the amount of the contribution which is to be paid in equal amounts by the worker and the employer, but which cannot exceed a total of 3.5 percent of wages up to 18,000 francs a year. This contribution is supplemented by a State subsidy which varies in amount from year to year according to the financial needs of the societies. In 1936 this subsidy amounted to nearly 7,500,000 francs. Each society is also allowed to determine the amount of sickness and death benefits which it shall pay to its members. The only Government requirement is that such benefits shall in no case be less than those payable under the general plan for workers in commerce and industry. Details as to the general scale of payments are not available, but unofficial information leads to the belief that the societies pattern requirements after the general social insurance plan.

Workers in Alsace-Lorraine

The social insurance provisions for gainful workers in Alsace-Lorraine are of particular interest, not only because this is the largest group covered by a special system but also because of the manner in which the French Government handled the problem on the return of these provinces to France after the World War. Instead of bringing workers in that territory within the scope of existing French legislation, thereby necessitating complete administrative reorganization with its attendant confusion, the Government deemed it

wiser to retain the framework built up under German legislation and to introduce only modifications necessary in matters of currency and certain administrative details.

Even during the period of German occupation, social insurance matters, while conforming to provisions in force throughout the rest of Germany, were under the direct supervision of the Minister for Alsace-Lorraine Affairs and were governed by separate legislation. Although the first social insurance measures were introduced in Alsace-Lorraine as far back as 1883, the legislation which constitutes the basis of the present administration dates from 1911. On July 19 of that year the provisions for sickness insurance for all gainful workers, and old-age and invalidity insurance for manual workers, were definitely codified. A separate law covering old-age and invalidity insurance for salaried workers came into effect on December 20, 1911. Following the return of the provinces to France, the system was maintained through the laws of October 17, 1919, and article 7 of the law of June 1, 1924, which provided for the establishment of French civil legislation in the Departments of Haut-Rhin, Bas-Rhin, and Moselle. Since that time, as in the case of the rest of France, there have been a number of modifications relating chiefly to changes in amounts of contributions and benefits occasioned by fluctuating financial and economic conditions throughout the country. At the present time, accordingly, the situation is as follows.

Sickness Insurance

Sickness insurance is compulsory for all manual workers, including domestic workers regardless of the amount of their remuneration, and for all salaried employees whose earnings do not exceed 25,000 francs a year. Voluntary insurance is available to those who are excluded under the latter provision and show that their annual earnings do not exceed 30,000 francs a year; any person so insured automatically ceases to be covered after it is established that his or her earnings exceed 30,000 francs.

The administration of sickness insurance is entrusted to a local organization, generally established in each commune or large town, or to a "plant" fund, which can be set up in establishments employing at least 150 workers subject to

compulsory insurance. In either case the fund is self-governing and managed by representatives of the insured and the employers on the basis of two-thirds for the former and one-third for the latter, with a maximum total of 90 persons. The amount of the contributions is left to each fund; the law merely stipulates that the nominal amount should not be in excess of 4.5 percent of the basic wage. If, in the case of a wide-spread epidemic or exceptionally unusual conditions, it is found that nominal contributions do not suffice to meet the benefit requirements, the fund may be authorized to increase the assessment to 6 percent; any further increase in this percentage can be effected only on the basis of mutual agreement between the workers and their employers. Contributions must be paid at least monthly by the employer, who bears one-third of the cost. Voluntarily insured persons are required to pay the full amount.

Normal sickness benefits include both treatment and cash allowances. The former becomes effective with the beginning of the sickness and includes medical and pharmaceutical treatment as well as the provision of certain kinds of appliances such as eyeglasses and trusses. Cash benefits amounting to one-half the basic daily wage are paid after the first day of illness which entails a complete incapacity for work. These benefits can be granted for a maximum of 26 weeks, but the various funds can make provisions for supplementary benefits which may include the extension of the 26-weeks maximum or medical attendance for members of the insured individual's family.

Provisions are also made for maternity benefits for women employees or wives of insured workers; these include (a) a cash allowance equal to that which would be paid under sickness benefits over a period of 8 weeks, 6 of which must be immediately following the delivery; (b) a cash allowance of at least 100 francs and not in excess of 200 francs to cover expenses of confinement and the attendance of a midwife; (c) a nursing bonus of 2 francs a day during the 12 weeks following the delivery.

Finally, in case of the death of an insured member, a funeral benefit of 20 times the basic wage is granted. The funds may make this payment as much as 40 times the basic wage, but the minimum payment may not be less than 300 francs.

Invalidity, Old-Age, and Survivors' Insurance for Workers

All manual workers in Alsace-Lorraine are subject to compulsory insurance against invalidity, old age, and death, and for purposes of contribution payments are divided according to the following wage classes:

Class	Annual earnings (francs)
I	up to 3,000
II	3,000 to 5,000
III	5,000 to 7,000
IV	7,000 to 9,000
V	9,000 to 11,000
VI	11,000 and over

Contribution payments are effected by the employer by means of stamps which are affixed to a book issued to the worker by his local insurance fund. The amounts which are paid in equal shares by the employer and the worker are currently set at:

Class	Weekly contributions (francs)
I	1.60
II	2.70
III	4.00
IV	5.30
V	6.60
VI	8.00

It is stipulated that after January 1, 1936, actuarial computations will be made at least every 5 years in order to determine whether or not the rates are sufficient for the proper operation of the system. If it is found that there is a deficit of 15 percent, the Government may, by decree, either reduce benefit payments by not more than 20 percent or increase the joint contribution by not more than one-third. It may also resort to both of these measures. The income of the fund is further increased by State subsidies.

Eligibility for invalidity benefits becomes established when the insured individual has made at least 200 weekly contributions, and for old-age benefits after completion of 1,200 weekly contributions. The old-age pension, which is normally payable at age 60, comprises a basic amount of 600 francs a year increased by a supplement amounting to one-fifth of the contributions paid; to this is added a State subsidy of 500 francs a year. The invalidity pension is payable to persons who suffered a loss of at least two-thirds of earning capacity during more than 26 weeks—the maximum period of treatment under sickness

insurance. The amount of the pension is established on the same basis as the old-age pension.

If the widow of an insured person suffers from loss of earning capacity of at least two-thirds, she receives two-fifths of the basic amount of the old-age pension which her husband was drawing or of the invalidity pension to which he would have been entitled. The sum is increased by a State subsidy of 500 francs a year plus a lump sum of 62.50 francs payable as a death benefit. Grants to orphans under 15 years of age are equal to one-fifth of the deceased father's pension, with an additional State subsidy of 250 francs a year and a lump sum of 20.82 francs.

Salaried Employees' Insurance

All salaried employees whose annual earnings do not exceed 30,000 francs and who have not reached the age of 55 on entering their occupation are insured against invalidity, old age, and death. There are 13 wage classes ranging from 3,600 francs to 30,000 francs:

Class	Annual earnings (francs)
A	up to 3,600
B	3,600 to 4,800
C	4,800 to 6,000
D	6,000 to 7,500
E	7,500 to 9,200
F	9,200 to 11,000
G	11,000 to 13,000
H	13,000 to 15,000
J	15,000 to 18,000
K	18,000 to 21,000
L	21,000 to 24,000
M	24,000 to 27,000
N	27,000 to 30,000

Contributions are fixed on a monthly basis and are paid by the employer, whose share is one-half of the amount; they range from 15 francs in Class A to 140 francs in Class N; they must be remitted no later than the 15th of the month following that for which the report is made. Voluntary insurance is made available to any employee leaving a covered occupation who has made at least 6 monthly contributions under the compulsory system. In that case, he is expected to pay the full amount of contribution. If he has paid 120 monthly contributions he is allowed to retain his acquired benefits merely through the payment of an annual fee of 12 francs. In order to qualify for the old-age pension, male employees must have been within the scope of the plan for

at least 120 contribution months and female employees for 60 months.

The old-age pension is constituted by a basic amount of 720 francs annually, increased by 25 percent of the first 120 contributions and 20 percent of the contributions paid thereafter. The invalidity pension which is established in the same manner as the old-age pension becomes payable if the beneficiary has suffered a loss of earning capacity of at least 50 percent for more than 26 weeks. Widows' pensions comprise a basic sum of 360 francs annually and an increment of two-fifths the amount which was being paid to the deceased husband or to which he would have been entitled in case of invalidity. Orphans' pensions, granted to children under 18 years of age, amount to 120 francs; to this is added a supplement of one-tenth of the deceased parent's pension in the case of half-orphans and one-sixth in the case of full orphans. The sum total of the survivors' pensions may not exceed the pension which the deceased worker was drawing or to which he would have been entitled.

Railroad Workers

Prior to August 31, 1937, five of the seven main railway systems were privately operated under State charters. Since that date, all railroads have been nationalized and taken over by a State-controlled organization known as La Société Nationale des Chemins de Fer Français, which has acquired all their assets, assumed all their obligations, and will be responsible for their operation as a unit until January 1, 1983, at which time they will revert to the State. Prior to the nationalization decree, each line had its own old-age pension fund, under the supervision of a general Pensions Committee of 10 members, 3 representing the State, 3 the railroads, 3 the employees, and 1 the pensioners. These funds were scheduled to be consolidated as of January 1, 1938. No information is at present available to indicate whether the new organization has effected any changes in the social insurance provisions in force before August 31, 1937, and therefore the situation as of that time is outlined here.

All permanent employees of the railroads are protected against the risks of sickness, maternity, invalidity, old age, and death, while auxiliary employees are insured under the general plan for

workers in commerce and industry. No employee contributions are required with respect to the costs of sickness and maternity allowances, but the workers do participate in a number of ways in the accumulation of funds for the other plans. In addition to contributing 5 percent of their salary or wage, they must pay the full amount of their remuneration for the first month following their affiliation with the system, as well as one-twelfth of any annual wage increase which they may receive. If the wage exceeds 60,000 francs a year, contributions are based on 40 percent of the amount between 60,000 and 100,000 francs, and 30 percent on any figure up to 180,000 francs. The railways' contributions are supposed to be sufficient to balance yearly expenditures and amount approximately to 15 percent of wages and salaries. Although there is no fixed subsidy from the State, it has been making up operating losses of the roads and, thus, may be said to bear the full amount of employers' contributions.

Old-Age, Invalidity, and Survivors' Benefits

Railroad workers become entitled to an old-age pension at age 55, and after 25 years' membership in the organization; this age limit is reduced by 5 years for engineers and firemen who have served at least 15 years in those capacities. The pension itself amounts to 1/50 of the individual's average annual wage for each year of service; this "average wage" is computed on the basis of the pensioner's 3 highest-paid years of service. The minimum pension is 5,000 francs a year, and the maximum may not exceed three-fourths of the "average" salary if that salary is not more than 40,000 francs; in the case of salaries above 40,000 francs, the pension is reduced according to a scale in descending ratio to the size of the salary. A deferred pension, at age 55, is given to employees leaving railroad employment after 15 years of service, and personal contributions, plus interest, are refunded to those leaving the service before the completion of 15 years.

The payment of invalidity benefits is not dependent on any waiting period if the injury or sickness results from the performance of regular duties. In other cases, contributions must have been paid over a period of 15 years in order to establish eligibility.

Widows or orphans are granted an allowance of one-half the pension which was being paid to an

insured person or to which he would have been entitled. The widower of a woman employee does not receive survivor's compensation; however, a widow who is herself a railroad employee is not disqualified for the receipt of her own old-age pension because she is also the recipient of a widow's pension. A childless widow must have been married to the insured individual at least 3 years in order to qualify for a pension.

Sickness Insurance

As stated before, the full costs of the system are borne by the railways, which provide whatever funds are necessary to make payments in accordance with the scale established by the national social insurance laws. While the State does not grant a direct subsidy, it does, as in the case of old-age pensions, make up any operating deficits. For several years the railways contended that the basic law of June 30, 1931, establishing sickness insurance for railway employees, did not extend such benefits to the employee's family. As a result of an action brought by the unions, claiming that such benefits were intended by the law, a decree of August 6, 1938, was promulgated which makes the spouse and children of the employee eligible for benefits under the general law for employees in commerce and industry.

Coordination With General Insurance System

Various decrees have been passed to equalize the benefits guaranteed by the special systems and the general system and to protect the benefit rights of workers transferring from one system to another. In the law of October 28, 1935, regulating the general provisions for social insurance in commerce and industry, article 23 states that "decrees are to fix the rules for the coordination of these various plans with the general social insurance system, and determine the procedure for the settlement of the claims of an individual passing from one system to another . . ."

To qualify for protection under the miners' plan, a person transferring from the general system must complete two calendar quarters of affiliation in the case of sickness insurance, four in the case of maternity insurance, and eight with respect to invalidity insurance. If certain benefits should become due in the interim, the necessary

payments are made in accordance with the rules of the mutual-aid society with which the new mine worker has become affiliated, and the worker is given credit for the full time spent in his former occupation. The miners' mutual society is reimbursed by the appropriate organization of the general system. If a mine worker should enter an occupation in commerce and industry, the miners' system remains responsible for any benefits that may become payable during the periods indicated above.

The decree pertaining to railroad employees is more particularly concerned with the status of "temporary" and "permanent" workers, the inference being that there is little or no tendency on the part of individuals to shift from railroad work to other lines of activity, or conversely. As observed before, temporary workers are covered under the general system; this also applies to the families of permanent employees. To qualify for invalidity and old-age benefits under the special system, an individual who transfers from the general system must complete 2 years' service in his permanent status. Any old-age pension rights that may have been acquired under the general system are retained and ultimately paid with the benefits which have been earned on account of railroad service. Inversely, a railroad man transferring to a job under the general system receives credit, for purposes of computing the pension amount under that system, for payments made on his account, including those made prior to June 30, 1930 (the effective date of the general system), on condition that his wages did not exceed the maximum limit established by the general system.

With respect to workers in Alsace-Lorraine, the question of affiliation is mainly to define what constitutes the "place of business." The location of the head office is the determining factor in the great majority of cases. The residence of the worker, however, is considered the place of business when he works at home or by the job. This is also the case for persons who are employed at times in the Departments which make up Alsace-Lorraine and at times in some other Department and for persons who work simultaneously for employers within and without Alsace-Lorraine, since it is stipulated that no one can be covered under both the general and the special system.

RAILROAD UNEMPLOYMENT INSURANCE

SOLOMON KUZNETS*

As of July 1, 1939, employees of railroad carriers were excluded from coverage under State unemployment compensation laws and came under the provisions of the Railroad Unemployment Insurance Act, administered by the Railroad Retirement Board. Through the cooperation of the Railroad Retirement Board the Bulletin will carry regularly summary data on operations under the railroad unemployment insurance system as well as data on operations under the Railroad Retirement Act.

THE RAILROAD UNEMPLOYMENT INSURANCE ACT of 1938, as amended on June 20, 1939, creates a national pooled-fund system of unemployment insurance for railroad workers, administered by the Railroad Retirement Board. The coverage of the act in terms of both employment and wages is substantially the same as that of the railroad old-age annuity and death-benefit system, the benefit phases of which are also administered by the Board under the Railroad Retirement Acts of 1935 and 1937. The Railroad Unemployment Insurance Act became effective for both contributions and benefits on July 1, 1939, as of which date the States were required to exempt railroad employment from their unemployment compensation programs.

The railroad unemployment insurance system is financed by employer contributions at the rate of 3 percent on the first \$300 of the monthly compensation of each employee. The contributions, which accrue on compensation payable with respect to employment after June 30, 1939, are to be collected by the Board at quarterly or other intervals and deposited with the Treasury. Ninety percent of the collections are deposited in the unemployment trust fund to the credit of the railroad unemployment insurance account, similar to the accounts maintained for State unemployment compensation agencies. The balance of the collections is credited to the railroad unemployment insurance administration fund, all moneys in which are permanently appropriated and are continuously available to the Board for expenses of administering the unemployment insurance system.

In addition to 90 percent of the contributions collected by the Board the railroad unemployment insurance account is credited with amounts transferred directly or indirectly from State unemploy-

ment funds. These amounts consist of (a) a share of the balance in the State pooled fund as of June 30, 1939, equal to the ratio of contributions from railroad employers and employees to total contributions collected and credited to such fund as of that date; (b) balances in reserve accounts of railroad employers as of June 30, 1939; and (c) all contributions from railroad employers and employees collected in the second half of 1939. Similarly, in addition to 10 percent of the contributions collected by the Board, the railroad unemployment insurance administration fund is credited with the amounts collected or collectible by the Treasury under title IX¹ of the Social Security Act from railroad employers with respect to 1936, 1937, 1938, and the first half of 1939, less the estimated amounts returned from such collections to the 13 States and 2 Territories whose unemployment compensation laws were certified by the Social Security Board after December 31, 1936.

Railroad unemployment benefits are payable with respect to unemployment occurring after June 30, 1939. Benefits to eligible workers accrue for each day of unemployment, including Sundays and holidays, in excess of 7 in a half-month, or period of 15 consecutive days.² The daily benefit amount is based on the total credited compensation during the base year. Wages from other than railroad employers and the excess of compensation over \$300 with respect to any month are not credited. Benefits start at a minimum daily amount of \$1.75 for employees with base-year

¹ Now, except for sec. 904, reenacted as ch. 9, subch. C, of the Internal Revenue Code approved Feb. 10, 1939.

² For workers compensated on a mileage basis, that is, for employees in the road (train and engine) service, no day can be regarded as a day of unemployment if it occurs within a half-month in which the employee earned at least 8 times the schedule daily rate of pay for his occupation. This provision takes account of the prevailing practice of maximum mileage limitation per month established under labor agreements. As a result of this limitation engineers, conductors, firemen, brakemen, and similar employees regularly have lay-off days on which they are not in fact available for employment in their usual occupation.

*Railroad Retirement Board, Bureau of Research and Information Service, Division of Research.

compensation of \$150 to \$200. In the five higher benefit classes the daily benefit is increased successively by 25 cents as base-year compensation rises in intervals of \$275. The maximum daily benefit is \$3 for employees with base-year compensation of \$1,300 or over. The maximum amount of benefits in the benefit year is 80 times the daily benefit amount.

The system of daily benefits covers total unemployment as well as a considerable part of what in State unemployment compensation is described as partial unemployment. No benefit provision is made for days in which the employee was paid for only part of the day, because this type of unemployment is not common in the railroad industry. However, for employees whose normal work shift includes a part of each of 2 consecutive calendar days, a day may be defined as a period of 24 hours.

To qualify for benefits an employee must have compensation in the base year of \$150 or more. In addition he must serve a waiting period within 6 months of the beginning of the benefit year. Prior to amendment the waiting-period requirement of the act was either 15 consecutive days of unemployment or two periods of 15 consecutive days, each of which contained at least 8 days of unemployment. The amendatory act approved June 20, 1939, i. e., before benefits became payable, substituted a waiting period of at least 8 days of unemployment in a period of 15 consecutive days. The benefit year of an employee is a 12-month period beginning with the first day of the 15-day period for which benefits are first payable to him, or are first payable after the termination of the preceding benefit year. The base year is the preceding calendar year if the benefit year begins between July 1 and December 31, and the year before the preceding calendar year if the benefit year begins between January 1 and June 30. Thus, for all employees whose benefit year begins between July 1, 1939, and June 30, 1940, the base year is the calendar year 1938. It may be noted that while operations under the Railroad Unemployment Insurance Act were not commenced until 1939, records of employee compensation for 1938 were compiled by the Board as part of its administration of the railroad retirement system.

The Railroad Unemployment Insurance Act does not bar from coverage under State unemployment compensation laws the nonrailroad

employment of railroad workers. In fact, under the act the Board is authorized to enter into reciprocal agreements with State agencies which would permit combining the wages of dual-coverage workers credited under either system for the purpose of paying benefits under the State or the Federal act with equitable reimbursement to the paying agency.³ The act also provides that after June 30, 1939, days with respect to which an employee is receiving or has received State unemployment benefits cannot be counted as days of unemployment for railroad benefit purposes.

The magnitude of the dual-coverage problem should not be exaggerated. A study of the wage reports for 1937, compiled by the Railroad Retirement Board and the Bureau of Old-Age and Survivors Insurance of the Social Security Board, shows that of a total of 1,957,688 employees with credited railroad compensation 244,481 employees also had wages taxable under title VIII of the Social Security Act. Thus, if the experience of 1937 is taken as a guide, a maximum of 12.5 percent of the railroad employees would also have employment covered by State unemployment compensation laws. Because in a number of States unemployment compensation does not cover employees of small firms who are included in the old-age insurance program, it is likely that the proportion of dual coverage is below 12 percent. A more detailed analysis made for all the class I railroad employees found in this dual-coverage group reveals that 85,986 of a total of 193,013 had less than \$150 in railroad compensation in the year 1937 and would not therefore have been eligible for railroad benefits. Of those who had railroad compensation of \$150 or over, 46,727 had less than \$100 in wages taxable under title VIII of the Social Security Act and would be unlikely to have met the minimum earnings eligibility requirements under State laws. The problems of dual coverage are really acute therefore only with respect to the balance of 60,300 employees of class I railroads, constituting less than 5 percent of the total number of employees of this class of employers with credited railroad compensation of \$150 or over.

Originally the Railroad Unemployment Insurance Act specified that employees who began a benefit year in the States between July 1, 1938,

³ No such agreements have been effected as yet.

and June 30, 1939, should have this benefit year continued under the Federal system. Because of the administrative complexities that such transitional provisions would entail, the amendatory act eliminated them. Instead the amendatory act provided that unemployment in the period from June 16 to June 30, 1939, was to be counted toward waiting-period credit even though State benefits were received with respect to such unemployment. In effect, therefore, in the transition from the State to the Federal system continuously unemployed workers were permitted to begin a benefit year under the Federal act on the day following the termination of their benefits under State laws.⁴

Administrative System

The administrative machinery developed by the Board is designed to provide the greatest possible decentralization consistent with expeditious and economical processing of claims and the keeping of wage records in the national headquarters in Washington. Facilities for filing claims are provided at or near the place of usual employment through cooperative arrangements with the carriers by virtue of which foremen, station agents, and other employees of the railroad employer are designated as unemployment claims agents. The claims agent transmits the claim to his supervisor in the railroad organization, known as the countersigning agent. The countersigning agents, generally located at railroad division points, are in charge of a varying number of claims agents. They certify the identity and signature of the claims agents and forward the daily batch of claims to one of the 12 regional offices of the Board.

The regional offices have clearly defined jurisdictions covering claims agents located along the right-of-way of specified railroad divisions and countersigning agents located at specified division points. Because it consists in fact of railroad divisions, the regional office jurisdiction is not strictly territorial. For many purposes it is useful nevertheless to outline the coverage of the regional offices in terms of States or portions of States. Such an outline is presented in table 1.

The major function of the regional offices is the

⁴ For a more detailed discussion of the act, see Couper, W. J., "The Railroad Unemployment Insurance Act and Unemployment Compensation Administration," *Social Security Bulletin*, Vol. 1, No. 8 (August 1938), pp. 12-16.

Table 1.—Areas served by regional offices of the Railroad Retirement Board

Location of regional office	Territory served	Percent of total railroad employees in jurisdiction
1. Boston.....	Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut.	4.1
2. New York City..	New York, New Jersey, Pennsylvania east of Pittsburgh, Delaware, Maryland, small section of northeastern West Virginia, the Cape Charles peninsula of Virginia.	20.1
3. Cleveland.....	Pennsylvania (Pittsburgh and west), Ohio, Michigan, western half of West Virginia, northeastern and central Kentucky.	12.3
4. Chicago.....	Indiana, Illinois, Iowa (except southwestern corner), southern and northeastern Wisconsin, southwestern Kentucky.	16.8
5. Richmond.....	District of Columbia, Virginia (except for minor area in southwest), southeastern West Virginia, North Carolina (except southwestern portion), eastern South Carolina.	6.2
6. Atlanta.....	Georgia, Florida, Mississippi, Alabama, Tennessee, western South Carolina, western North Carolina, extreme southwest of Virginia, southern Kentucky.	7.4
7. Minneapolis.....	Minnesota, North Dakota, South Dakota (except section in southwest), eastern Montana, northwestern Wisconsin.	4.5
8. Kansas City, Mo.	Missouri, Oklahoma (except tip of Panhandle), Arkansas (except southwestern corner), Kansas (except extreme west), eastern half of Nebraska, southwest corner of Iowa, small piece of southern South Dakota.	9.4
9. Dallas.....	Louisiana, Texas, southwest corner of Arkansas, southern and eastern New Mexico, small piece of southeastern Arizona.	5.
10. Denver.....	Colorado, Wyoming, Utah, western Nebraska, extreme west of Kansas, southwestern South Dakota, southern Idaho, southeast corner of Oregon, northeast corner of Nevada, northern half of Arizona, northern and western New Mexico, tip of Oklahoma Panhandle.	4.1
11. Seattle.....	Washington, northern Idaho, western half of Montana, Oregon (except for extreme south and west), Alaska.	3.3
12. San Francisco...	California, bulk of Nevada, south segment Oregon, southern Arizona, small southwestern part of New Mexico, Hawaii.	6.1

adjudication of claims. If a claim applies to a period containing compensable days of unemployment, the regional office certifies a benefit payment to the disbursing office of the Treasury, located in all but one instance in the same city, which prepares and mails the benefit check. Benefit checks, forms certifying that the waiting period has been served, and in some cases notices that the claim cannot be certified are mailed directly to the claimant at his home address. If a claim requires further investigation it is referred by the regional office to one of the 54 district offices of the Board. The district offices and the field agents attached to them constitute the local arm of the Board's administrative apparatus. In addition to

investigating individual claims by direct contact with claimants and other persons in possession of the required information, the district offices assist the countersigning and claims agents in maintaining proper standards of procedure and report to the regional offices any difficulties or apparent irregularities in the operation of claims agents.

Claims Procedure

In applying for unemployment insurance benefits for the first time, or for the first time after the expiration of a benefit year, the unemployed worker must fill out a form known as the "application for certificate of benefit rights." This form is filed with the claims agent for transmission to the regional office and to it is attached the "certificate of service months and wages" furnished by the worker. The latter certificate, prepared by the Board, is distributed to railroad employees through the employer in May and June of each year. It shows the amount of compensation and months of service credited to the employee on the records of the Board for the base year as well as for the period from January 1937 through the last completed calendar year. It is, therefore, an official notification apprising the covered employee of the compensation credited to him for both retirement and unemployment insurance purposes and of his rights under either system. If the applicant does not have the certificate he lists on the application the names of his employers for the base year, indicating the departments or divisions in which he worked.

The major purpose of the application is to facilitate the determination of benefit rights in the regional office. For this reason, in addition to a certain amount of identifying and statistical information, the application calls for a statement as to whether the applicant agrees with the record of his base-year wages shown on the certificate and as to the use by the applicant of more than one social security account number. If the applicant believes that the record of his wages is incorrect, he is asked to list his employers in the base year, the periods of employment, and the amount of compensation. Such a statement of the employment history for the base year as well as the briefer description required of applicants who have no certificates is designed to expedite the correction of errors and the collection of missing wage reports.

In routine cases, the determination of benefit rights in the regional office is based on the certificate of service months and wages furnished with the application. The determination results in mailing to the applicant a "certificate of benefit rights," which shows, in addition to the base-year wages, the daily benefit amount and the maximum amount of benefits for the benefit year. Where no certificate of service months and wages is attached to the application, the determination is made by using the base-year wage register of all railroad employees, copies of which are available in every regional office. Only when the applicant protests his record of base-year wages or appears to have wages recorded under more than one social security account number will an investigation in the field or in the Washington headquarters be required prior to final determination. Even in the majority of such cases, however, a tentative determination is made subject to later adjustment.

At the same time as the applicant fills out an application he also initiates a "registration and claim form." While an application is made only once for a benefit year, a claim is prepared once in every registration period of 15 consecutive days beginning with the first day of unemployment. Space is provided on the claim form for registration with respect to each day of unemployment falling within the registration period. Under the regulations of the Board, registration with respect to the first day of unemployment must be made on the same day or, if it happens to be a Sunday or holiday, on the business day following. Registration with respect to each subsequent day of unemployment may be made on the same or the following business day. When the registration period of 15 consecutive days is completed, the claim is sent to the countersigning agent, and the claimant is furnished with a receipt or "a record of claim." If the claimant transfers from one claims agent to another during the registration period a transfer form is prepared by the original claims agent, who attaches the original to the claim for the first part of the registration period and gives a duplicate to the claimant. This duplicate is attached by the second claims agent to the claim for the remainder of the registration period.

Routine claims for a complete registration period reaching the regional office through countersigning

agents may contain registrations with respect to from 1 to 15 days of unemployment in the registration period. The significant dividing line is, of course, 7 or fewer as contrasted with 8 or more days of unemployment. The adjudication of claims in the latter group will result either in the mailing to the claimant of a "certificate of waiting-period credit" or in the certification of a benefit payment to the disbursing office of the Treasury. With the benefit certification goes also a notice to the claimant which is mailed from the Treasury with the check. This notice states that the check represents a benefit payment for compensable days of unemployment within a specified 15-day period.

Claims for a complete registration period containing 7 or fewer days of unemployment may be received from claimants either before or after they have served their waiting period. When received from claimants who have not yet served their waiting period, such claims cannot be certified either for waiting-period credit or for benefits. When such claims are received from claimants who have previously satisfied the waiting-period requirement, the days of unemployment registered on them must be taken into account in adjudicating a claim for the next registration period because under the Board regulations a half-month for which a benefit payment is certified need not coincide with the registration period. If a half-month can be established which begins with a day of unemployment in a registration period of less than 8 days of unemployment and ends in the next registration period and which contains the same or larger number of compensable days of unemployment than the second registration period, a benefit payment is certified on the basis of such half-month. For recordkeeping purposes the benefit certification in such cases is assumed to apply to the claim for the second registration period. However, the days of unemployment in the second registration period following the last day for which a benefit payment is certified are taken into account in adjudicating the claim for the third registration period.

In addition to claims for complete registration periods, claims are received which do not account for each of the 15 days as either a day of unemployment or a day in which the claimant is either employed or not available for work. If these are claims connected with a transfer from one claims

agent to another they are combined for the registration period. When the transfer involves more than one regional office the office to whose jurisdiction the claimant transferred will transmit the claim to the first regional office. It should be noted that the same procedure is followed in other interregional transfers which do not occur within a single registration period. Thus the complete docket for the claimant remains for the duration of the benefit year in the regional office which received his application and his first claim. Non-transfer claims for incomplete registration periods are processed in the same manner as claims for complete registration period.

The claims procedure of regional offices does not provide for the "disallowing" of claims in the sense in which that term is used in State unemployment compensation practice. Claims are received from employees who have failed to file applications for certificate of benefit rights or whose application shows less than \$150 in base-year compensation or the validity of whose registration with respect to some or all of the days of unemployment in the registration period is in doubt. Such claims are investigated through the district offices and field agents until cleared as valid compensable or noncompensable claims or set aside as invalid. The major factors in disallowance in State practice—no wage record or insufficient earnings—affect in regional office procedure the disposition of applications rather than of claims.⁵ In this connection it should be noted that the device of preliminary notification of employees as to their unemployment benefit rights through the distribution of certificates of service months and wages tends to discourage the filing of applications by ineligible employees.

Statistics of Operations

Tables 2, 3, and 4 present statistics covering substantially the first quarter of railroad unemployment insurance operations in July–September 1939. Claims agents began to accept applications and claims on June 26,⁶ and regional offices were

⁵ In effect all claims under the Railroad Retirement Board procedure are comparable to continued claims in State usage because they apply to a registration period and are filed at the end of such period. The application for certificate of benefit rights is similar to some extent to the first initial claim in a benefit year under State systems, serving the purpose mainly of a request for a determination of benefit rights. There are no railroad forms comparable to initial claims for second and subsequent claim series in the States.

⁶ Because of the delay in providing the facilities, registrations with respect to days of unemployment between June 16 and June 25 were accepted even though not made on the same or following business day.

opened for application and claim processing on the same date. Statistics for the United States are presented on a weekly basis corresponding to the period for which regional offices furnish reports to Washington. Cumulative figures by regional offices are presented for the entire quarter.

Table 2.—Applications for certificate of benefit rights received and certificates issued under the Railroad Unemployment Insurance Act, July–September 1939

Week ended	Applications received	Certificates issued
Total through September 29.....	108,441	105,049
July 1.....	27,848	19,013
July 8.....	25,013	28,315
July 15.....	10,892	12,526
July 22.....	7,539	7,009
July 28 ¹	5,978	5,736
August 4.....	5,899	5,868
August 11.....	4,039	4,310
August 18.....	3,507	3,740
August 25.....	4,764	4,911
September 2.....	3,134	3,759
September 9.....	2,823	2,780
September 15.....	2,944	3,110
September 22.....	2,165	2,073
September 29.....	1,896	1,899

¹ 5-day period ended July 28.

Table 2 shows the number of applications for certificates of benefit rights received in the regional offices and the number of certificates issued. A total of 108,441 applications was received through September 29. This number approximates an unduplicated count of eligible workers who have been unemployed at any time between June 16 and the end of September and have exercised their rights under the law. Of the total applications, 1,213 were received from employees whose certificates of service months and wages showed base-year compensation below \$150, and 11,931 applications, or about 11 percent of the total, were received without certificates of service months and wages attached. Some of the applications in the latter group may also have been filed by employees whose base-year compensation was below the eligibility minimum. A total of 105,049 certificates of benefit rights was issued through September 29, or 3,392 less than the number of applications received. This difference is considerably larger than the load of applications pending routine processing or more detailed investigation, because the count of applications includes forms received from ineligible employees.

The weekly series (table 2) for both applications and certificates show a marked downward trend, because an application is filed and a certificate is

issued only once in the benefit year. The number of applications received in the first few weeks of operation reflects primarily the amount of unemployment which existed at the time facilities were first provided for filing applications and claims rather than the volume of new unemployment which began in the second half of June or in July.

Table 3 presents figures on claims received, certificates of waiting-period credit issued, and benefit certifications made in the regional offices through September 29. A total of 346,019 claims was received, and 265,177 certifications for waiting period or benefits were made during this period. The number of claims covered by the certifications for waiting period or benefits is somewhat in excess of 265,177, because of the cases mentioned above in which two or more claim forms apply to a single registration period. The number of claims received exceeds the number of claims certified by about 80,000. The balance of claims awaiting processing on September 29, however, did not exceed 16,000. The difference between these two figures approximates the number of claims on which no certification action could be taken because they applied to registration

Table 3.—Claims received, certificates of waiting-period credit issued, and benefit payments certified under the Railroad Unemployment Insurance Act, July–September 1939

Period	Claims received	Certificates of waiting-period credit issued	Benefit payments certified		
			Number	Amount	Average per certification
Total through September 29.....	346,019	88,362	176,815	\$2,608,999.50	\$14.76
July 1–July 22.....	79,632	34,601	5,391	79,575.75	14.76
July 24–July 28.....	16,918	10,392	12,880	180,121.25	13.98
Week ended August 4.....	32,596	6,894	7,903	127,213.25	16.10
Week ended August 11.....	23,981	6,182	16,134	240,879.25	14.93
Week ended August 18.....	29,845	6,047	14,320	214,407.50	14.97
Week ended August 25.....	27,387	4,280	16,706	256,264.50	15.34
Week ended September 2.....	23,849	5,028	16,535	241,141.00	14.58
Week ended September 9.....	31,776	3,614	16,717	254,521.50	15.23
Week ended September 15.....	24,408	5,056	24,556	367,800.25	14.98
Week ended September 22.....	33,953	3,312	25,678	380,331.50	14.81
Week ended September 29.....	21,704	2,956	19,995	296,743.75	13.34

periods with fewer than 8 days of unemployment, or because, in a small proportion of cases, they were filed by ineligible workers.

The total amount of benefits certified during the period is nearly \$2,609,000, or an average of \$14.76 per certification. These certifications apply to a period of 15 consecutive days in which

there are at least 8 days of unemployment; the number of compensable days of unemployment may vary from 1 to 8. The certification may vary, therefore, from \$1.75 (1 compensable day at the minimum rate) to \$24.00 (8 compensable days at the maximum rate). The average benefit per

Table 4.—Applications for certificate of benefit rights and claims received, certificates of waiting-period credit issued, and benefit payment certifications made under the Railroad Unemployment Insurance Act, by regional offices, July-September 1939

Region	Applications received	Claims received	Certificates of waiting-period credit issued	Benefit payments certified	
				Number	Average amount per certification
Total	108,441	346,019	88,362	176,815	\$14.76
Boston.....	4,690	13,879	3,781	6,964	13.54
New York.....	28,067	81,751	20,267	39,917	14.33
Cleveland.....	12,920	43,969	11,159	24,025	14.10
Chicago.....	17,968	57,397	14,911	28,707	14.44
Richmond.....	4,028	13,381	3,325	7,062	15.64
Atlanta.....	11,301	38,938	9,244	21,310	15.05
Minneapolis.....	4,041	9,813	2,885	4,582	14.40
Kansas City.....	10,748	33,612	8,697	17,628	15.61
Dallas.....	6,677	23,819	5,498	12,537	14.08
Denver.....	4,388	12,048	3,510	5,700	15.30
Seattle.....	2,059	4,962	1,515	2,262	15.73
San Francisco.....	4,567	12,450	3,870	6,121	16.99

certification is scarcely comparable with average State benefits for weeks of total unemployment; many benefits are certified for what in State practice would be considered a week of total unemployment plus a week of partial unemployment or for two weeks of partial unemployment.

As indicated above, money for benefits is withdrawn from the railroad unemployment insurance account in the unemployment trust fund maintained by the Treasury. In the first quarter of operations, before the collection of contributions was begun and before any substantial transfers from State accounts could be effected, the money in the railroad unemployment insurance account consisted almost wholly of an advance by the Treasury provided for in the Railroad Unemployment Insurance Act and repayable on or before January 1, 1941.⁷

The weekly series on claims received (table 3) tends to show a recurrence of a relatively large number in one week followed by a considerably smaller number in the next week, followed in its turn by a large volume of receipts in the third week. In interpreting this series it should be

⁷ See table 4, p. 89 of this issue.

recalled that a claim is completed and transmitted to the regional office only once in a period of 15 consecutive days. If a substantial number of continuously unemployed workers, therefore, completed their claims in the third week after the beginning of operations, and if they continue to remain unemployed and file claims for some time thereafter, their claims are bound to increase the volume of receipts every other week. Again, because a claim is filed only once in a period of 15 days the number of claims filed or received during a week does not account for all eligible claimants unemployed at some time during that week. The claims for a number of them may be filed or received in the next week.

The weekly series on certificates of waiting-period credit issued (table 3) shows a pronounced decline because such a certificate need be issued only once for each benefit year and no more than two such certificates can be issued to an employee in a period of 12 months. Similarly, the weekly series on the number of benefit certifications shows a substantial increase after the first few weeks of operation, because the first claim is not compensable and can be certified only for waiting-period credit.

In comparing figures presented in table 3 with those shown in table 2 it should be recalled that there is a lag of approximately 2 weeks between the filing of an application and the filing of the first claim.⁸ A similar lag would exist in many cases between the issue of a certificate of benefit rights and the issue of a certificate of waiting-period credit, and again between the certification for waiting period and the certification for the first benefit payment. Thus, only about 101,000 of the approximately 105,000 applicants to whom certificates of benefit rights were issued by the end of September had time to satisfy the waiting-period requirement during that period. In fact, certificates of waiting-period credit were issued to 88,362 of them. Of this group, only the claims from about 82,000 could have been certified for benefit payment. The total number of 176,815 benefit certifications through September 29 applies therefore to a maximum of about 82,000 claimants.

⁸ The claimant initiates his first claim at the time he makes application for certificates of benefit rights, but the filing of the claim takes place only upon expiration of a registration period of 15 consecutive days beginning with the first day of unemployment.

Table 4 presents cumulative figures, by regional offices, for the first calendar quarter of operations. It will be noted that the distribution of applications by regions is substantially similar to the distribution of total employee coverage shown in the tabular outline of regional jurisdictions. The difference between the number of claims received and the number of certifications for waiting period and benefits falls for all regional offices within the range of 20 to 25 percent of claims received. As stated above, this difference is accounted for in large part by claims for registration periods with

less than 8 days of unemployment. The average amount of benefits per benefit certification varies from a low of \$14.08 in Dallas and \$14.10 in Cleveland to a high of \$16.99 for San Francisco, which is considerably above the average for any other region. This variation is caused by differences in the daily benefit amounts and in the number of compensable days per certification. The analysis of benefit certifications is not sufficiently advanced at present to explain these differences in terms of the economic and business factors underlying them.

SURVIVOR PAYMENTS UNDER THE RAILROAD RETIREMENT ACT

E. M. FITCH AND J. EDWARD ELY*

THE RAILROAD RETIREMENT ACTS of 1935 and 1937 primarily provide annuities for employees of the railroad industry but make some provisions also for payments to the survivors of such employees who die either without receiving an annuity or, under certain conditions, after the annuity has begun. These survivor payments are of three kinds: (1) survivor annuities to the spouse, provided under both acts but payable only if the annuitant elected to receive a reduced annuity during his lifetime in order to provide an annuity for his widow; (2) death-benefit annuities, provided under the 1935 act only and payable for 12 months to the surviving spouse or dependent next of kin of an individual who was receiving or entitled to receive an employee annuity under that act; and (3) lump-sum death benefits, provided only under the 1937 act.

These three types of survivor payments combined have accounted for payments totaling more than \$4.4 million to August 31, 1939, or about 2 percent of the total payments certified under the Railroad Retirement Act to that date. Lump-sum death payments totaled about \$1.6 million, death-benefit annuities about \$1.5 million, and survivor annuities about \$1.3 million. In recent months, payments of lump-sum death benefits have been much larger than payments of the other two types, with survivor annuity payments somewhat higher than death-benefit annuity payments (see table 3, page 81).

Survivor Annuities

Under both the 1935 and 1937 acts an individual may elect to receive a reduced joint and survivor annuity during his lifetime in order to provide a lifetime annuity for his widow after his death. The two acts differ in many respects with regard to the provisions governing the election of a joint and survivor annuity. The 1935 act made no specific provision for the proportion which the survivor annuity was to bear to the joint and

survivor annuity received by the employee annuitant during his lifetime. The Board, however, by administrative regulation, permitted the election of one of three options: Option A, under which the widow receives as much as her husband was receiving or was entitled to receive during his lifetime; Option B, under which she receives three-fourths as much; and Option C, under which she receives half as much. In the 1937 act specific provision was made for these three options. The 1937 act also specifically provided that, once a valid joint and survivor election was made, it should be irrevocable, except that it would become inoperative if the employee or his wife died before the annuity began to accrue, or if the marriage was dissolved, or if a full disability annuity was awarded on the basis of 30 years of service.

The 1935 act provided that the Combined Annuity Table should be used in determining "the present values and amounts of the annuity payments." It thus permitted no differentiation between annuitants with a normal life expectancy and those who, because they were disabled or for some other reason, had a less than normal life expectancy. As a result, it was to the interest of applicants who were in poor health and had a short life expectancy to elect joint and survivor annuities.

The 1937 act contains several provisions intended to avoid the adverse selection which resulted under the 1935 act. As stated previously, the later act provides that any joint and survivor election shall become inoperative if a full disability annuity based on 30 years of service is granted. In addition it provides that, unless election was made before January 1, 1938, it must be made at least 5 years prior to the date designated for the annuity to begin to accrue, unless the applicant furnishes proof of health. Finally the 1937 act provides that "the amounts of the two annuities shall be such that their combined actuarial value as determined by the Board shall be the same as the actuarial value of the single-life

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annuity to which the individual would otherwise be entitled."¹

Joint and Survivor Elections

Since survivor annuities arise out of the death of employee annuitants who have elected joint and survivor annuities, it is necessary to consider the number of joint and survivor elections made by employee annuitants and the number of deaths which have occurred among such annuitants. Of the 104,338 employee annuitants certified to August 31, 1939, 7,011 or 6.7 percent made joint and survivor elections under either the 1935 or 1937 acts.

The percentage of such elections among employee annuity certifications has been decreasing. Of the employee annuities certified to June 30, 1938, 7.7 percent were joint and survivor annuities, as compared with 5.2 percent certified during 1938-39, and 4.2 percent certified during July and August 1939. This decrease is to be expected in view of the restrictions upon joint and survivor elections embodied in the 1937 act. Another factor contributing to the declining percentage of joint and survivor elections may be the smaller proportion of very aged annuitants in the later period. The decrease is probably more marked than the figures show, since the longer time required, on the average, to adjudicate joint and survivor claims has tended somewhat to delay the reflection of these changes in the figures, based as they are on certification date rather than accrual date.

Table 1 shows the average single-life annuity² and the average actual annuity, after reduction for joint and survivor election, of employee annuitants making such election. The average single-life annuity of annuitants electing joint and survivor options was \$70.85 in the period ended June 30, 1938, and \$59.74 during the fiscal year

1938-39.³ This decrease, amounting to 15.7 percent, reflects (1) a decline in the average single-life annuity for all annuitants;⁴ (2) the elimination under the 1937 act of joint and survivor certifications for disability annuitants with 30 years of service, whose average single-life annuity has been greater than for any other type of employee annuitant under the act; and (3) the fact that disability annuitants with less than 30 years of service, whose average single-life annuity has been the lowest,⁵ constituted 13.2 percent of the joint and survivor certifications during 1938-39 and only 0.4 percent prior to June 30, 1938.⁶

The difference in the actual annuities as between the two time periods is greater than in the single-life annuities, amounting to 19.4 percent. This variation results from a shift in the proportion of annuitants electing the different options. The percentage electing Option A, which makes the two annuities equal in amount and hence requires a larger reduction from single life to actual, was higher among certifications during the fiscal year 1938-39 than among those to June 30, 1938. The percentage electing Option C, which gives the widow half as much as the annuitant was receiving before his death and hence requires a smaller reduction, was lower in the later period. The fact that the tendency indicated in the 1938-39 figures is not sustained in the certifications for July and August makes it difficult to determine the trend in the selection of the several options. The higher proportion of Option A cases in the period 1938-39 may be due to delay in the certification of disability annuities computed on the basis of Hunter's Table. Such persons with subnormal life expectancies tend more frequently to elect Option A, which gives the widow her maximum annuity.

¹ In computing joint and survivor annuities under the 1937 act, the Board has ruled that the Combined Annuity Table shall be applied to all joint and survivor annuities beginning at 65 or over. For annuities subject to a reduction for retirement before age 65, Hunter's Analyzed Disabled Life Mortality Table, modified to conform with the mortality of disability pensioners under the railroad pension plans, shall be used where the applicant has a subnormal life expectancy. The use of Hunter's Table makes less advantageous the selection of joint and survivor annuities by annuitants with subnormal life expectancies.

² The "single-life" annuity is the "normal" annuity—which is calculated on the basis of the annuity formula from credited service and average monthly compensation—less deductions, if any, for retirement before age 65. The "actual" annuity is the single-life annuity less deductions resulting from election of joint and survivor annuity.

³ The averages are based only on final certifications made during the period and would be somewhat lower if allowance is made for the fact that cases initially certified on a subject-to-recertification basis (because part of the data necessary for final determination was missing) are on the average somewhat lower even after recertification than those initially certified on a final basis. The averages for 1938-39 include some cases initially certified prior to June 30, 1938, but it is believed that if it were possible to correct for this the averages would not be materially changed.

⁴ Factors in this decline have been discussed in the July Bulletin, pp. 19-21.

⁵ This lower average single-life annuity is due partly to the lower average credited service and compensation of disability annuitants with less than 30 years' service and partly to the reduction for retirement before age 65 which is applied to such annuities. See the July Bulletin, pp. 17-21.

⁶ It is probable that these figures do not reflect a trend in the election of options but result from a delay in the certification of joint and survivor annuities computed on the basis of Hunter's Table.

Table 1.—Number and percent, and average single-life and actual annuity¹ of employee annuities certified under joint and survivor elections, by option² and by period in which certified

Period in which certified	Number	Percent of total	Average single-life annuity	Average actual annuity	Percent reduction
Through June 1938: ³					
All options.....	5,042	100.0	\$70.85	\$50.59	28.6
Option A.....	1,478	29.3	66.36	41.62	37.3
Option B.....	822	16.3	74.22	51.35	30.8
Option C.....	2,742	54.4	72.15	54.97	23.8
Fiscal year 1938-39: ⁴					
All options.....	1,814	100.0	59.74	40.78	31.7
Option A.....	656	36.2	54.63	32.47	40.8
Option B.....	273	15.0	59.68	39.84	33.2
Option C.....	885	48.8	63.13	46.80	25.9
July-August 1939: ⁵					
All options.....	155	100.0	60.90	40.71	33.2
Option A.....	50	32.3	59.51	33.52	43.7
Option B.....	30	12.9	82.45	32.67	37.7
Option C.....	85	54.8	64.46	47.51	26.3
Total through August 1939:					
All options.....	7,011	100.0	67.17	47.33	29.5
Option A.....	2,184	31.2	62.10	38.20	38.5
Option B.....	1,115	15.9	69.41	47.52	31.5
Option C.....	3,712	52.9	69.37	52.45	24.4

¹ Averages for single-life and actual annuity are based on final certifications only.

² Under Option A, the widow receives as much as her husband was receiving or was entitled to receive during his lifetime; under Option B, she receives $\frac{3}{4}$ as much; under Option C, $\frac{1}{2}$ as much.

³ Excludes a small number of annuities, payments on which were suspended on June 30, 1938, or which had been commuted into lump-sum payments.

⁴ Preliminary. Includes as new certifications cases suspended on June 30, 1938, but reinstated during the year and excludes cases still suspended as of June 30, 1939, or cases certified during the year but suspended on June 30, 1939. Excludes also commuted annuity payments. Averages are based on annuities recertified to a finally certified status during the year as well as on annuities initially finally certified.

⁵ Preliminary. Includes only annuities initially certified during the 2 months.

Over the entire period Option C has been the most popular of the 3 options. Of the 7,011 certifications under joint and survivor options up to August 31, 1939, 52.9 percent were under Option C (table 1). Option A was selected by 31.2 percent and Option B by 15.9 percent.

Deaths Among Joint and Survivor Annuitants

By June 30, 1939, the Board had received notice of 10,192⁷ deaths among employee annuitants. The post office has been the chief source of information with respect to such deaths, since letter carriers are instructed not to deliver annuity checks when the annuitant has died. In other instances, the survivors of the annuitant or his legal representative notifies the Board of the annuitant's death.

⁷ This includes 3,773 deaths among employee annuitants certified under the 1935 act, 6,370 under the 1937 act, and an additional 49 deaths among temporary partial annuitants who will not be classified under either act until they are completely recertified.

In 1,779 or 17.5 percent of these 10,192 cases a joint and survivor election had been made. This proportion of deaths among joint and survivor annuitants to deaths among all annuitants was about 2½ times the proportion of joint and survivor annuities among all employee annuities. It reflects the tendency for older annuitants and annuitants with subnormal life expectancies to elect joint and survivor annuities.

When the Board receives a notice of death, it sends applications and instructions to individuals who, according to its records, may be eligible for survivor payments. Of the 1,779 cases of deaths among joint and survivor annuitants, survivor annuities had been awarded in all but 133 cases by June 30, 1939. In 29 of these cases the wife had died before the employee annuitant or the option had been declared inoperative or the claim had been closed without certification because the survivor had failed to reply to requests for necessary information. As of June 30, 1939, there were 104 cases still pending adjudication.

There have been 184 cases in which the annuity to the survivor was not preceded by certification of annuity payments to the employee. Cases of this sort arise when the employee making a joint and survivor election is eligible for an annuity prior to his death but death occurs during the calendar month in which the annuity begins to accrue. No employee-annuity payment is due for the calendar month in which the annuitant dies. Including these cases, the total number of survivor annuities granted to June 30, 1939, was 1,830.

Number and Average Amount of Survivor Annuities

It has been pointed out that the proportion of employee annuitants who make joint and survivor elections is relatively small. For this reason and because the retirement act is still comparatively new and there has therefore been relatively little time for deaths to occur among joint and survivor annuitants, the number of annuities awarded to survivors of employee annuitants electing such options was only 1,933 by August 31, 1939 (table 2). In the fiscal year 1938-39 a total of 1,008 new survivor annuities was certified, compared to 822 certified prior to July 1, 1938. By the end of August 1939 only 57 survivor annuities had been terminated by death. Adjusting for

suspensions and reinstatements, the number of these annuities in force as of the end of August 1939 was 1,875.

The average survivor annuity certified during the fiscal year 1938-39, excluding minor increases resulting from recertifications, amounted to \$30.41 per month, as compared with \$38.58 for 1937-38, and \$40.44 for the 115 certifications made in 1936-37. The change reflects in the main the decrease, pointed out above, in the average single-life annuity to which employee annuitants with joint and survivor elections are entitled and on

which the determination of the amount of survivor annuity is based.

In table 3 the 1,830 survivor annuities, which were certified to June 30, 1939, are distributed by the actual monthly amount payable and by the type of option. Of survivor annuities granted to this date, 44.3 percent arose from Option A, 37.4 percent from Option C, and 18.3 percent from Option B. Only 31.1 percent of all joint and survivor annuities certified to June 30, 1939, were granted under Option A, the option which gives the surviving spouse the largest share of the

Table 2.—Number and monthly amount payable of new certifications of survivor annuities, terminations by death, net adjustments, and number in force and monthly amount payable at end of month, by fiscal years and by months, November 1936–August 1939¹

Fiscal year and month	New certifications		Terminations by death		Net adjustments ²		In force at end of month	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Cumulative through August 1939.....	1,933	\$65,491	57	\$1,823	-1	\$246		
Total, 1936-37.....	115	4,651	0	0	0	0		
1936								
November.....	3	72	0	0	0	0	3	\$72
December.....	2	98	0	0	0	0	5	171
1937								
January.....	3	106	0	0	0	0	8	277
February.....	10	328	0	0	0	0	18	605
March.....	6	265	0	0	0	0	24	871
April.....	22	930	0	0	0	0	46	1,801
May.....	30	1,059	0	0	0	0	76	2,861
June.....	39	1,789	0	0	0	0	115	4,681
Total, 1937-38.....	707	27,273	15	533	0	97		
July.....	15	562	0	0	0	0	130	5,213
August.....	49	1,802	1	27	0	0	178	7,077
September.....	47	1,759	0	0	0	0	225	8,837
October.....	22	976	1	34	0	0	246	9,778
November.....	40	1,699	0	0	0	0	286	11,446
December.....	68	2,782	1	9	0	24	353	14,245
1938								
January.....	72	2,821	0	0	0	2	425	17,070
February.....	40	1,595	1	40	0	0	464	18,626
March.....	73	3,128	1	33	0	20	536	21,741
April.....	131	4,787	5	191	0	25	662	26,363
May.....	91	3,101	2	104	0	1	751	29,362
June.....	59	2,195	3	91	0	22	807	31,489
Total, 1938-39.....	1,008	30,653	31	1,017	-1	114		
July.....	93	3,333	3	122	0	0	897	34,701
August.....	78	2,436	1	47	0	4	974	37,068
September.....	140	4,282	0	5	0	47	1,114	41,419
October.....	88	2,672	1	8	-5	-299	1,196	43,814
November.....	114	3,171	2	108	2	148	1,310	47,036
December.....	63	1,738	3	128	2	94	1,372	48,730
1939								
January.....	62	1,846	1	34	-1	3	1,432	50,546
February.....	55	1,588	5	128	0	-14	1,482	51,990
March.....	101	2,949	3	74	0	22	1,580	54,887
April.....	76	2,412	5	183	1	33	1,652	57,150
May.....	65	1,950	5	129	0	7	1,712	58,978
June.....	73	2,271	2	46	0	36	1,783	61,239
Total, 1939-40 through August 1939.....	103	2,913	11	272	0	34		
July.....	58	1,715	5	102	0	0	1,836	62,853
August.....	45	1,197	6	170	0	34	1,875	63,914

¹ Correction for a claim that has been certified or terminated in error or for an incorrect amount is made in figures for month in which error is discovered and not in those for month in which error was made. To this extent number and amount shown for any given month differ slightly from actual monthly activity.

² Suspensions are subtracted and reinstatements of suspended annuities are added. Recertifications of annuities result in additions to amount but not to number of cases. For this reason, amount of adjustment bears no relation to net number of cases adjusted. Net adjustment in amount is usually positive because of preponderant effect of recertifications.

Table 3.—Number of survivor annuities certified through June 1939, by monthly amount payable, classified by type of option¹ elected by the deceased

Monthly amount payable	Total		Option A		Option B		Option C	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total.....	1,830	100.0	811	100.0	335	100.0	684	100.0
Under \$10.00.....	74	4.0	22	2.7	7	2.1	45	6.6
\$10.00-\$19.99.....	322	17.6	124	15.3	41	12.2	157	23.0
\$20.00-\$29.99.....	441	24.2	142	17.5	71	21.2	228	33.3
\$30.00-\$39.99.....	397	21.7	128	15.8	66	19.7	203	29.7
\$40.00-\$49.99.....	257	14.0	127	15.7	80	23.9	50	7.3
\$50.00-\$59.99.....	180	9.8	126	15.5	53	15.8	1	.1
\$60.00-\$69.99.....	88	4.8	73	9.0	15	4.5		
\$70.00-\$79.99.....	46	2.5	44	5.4	2	.6		
\$80.00-\$89.99.....	22	1.2	22	2.7				
\$90.00-\$99.99.....	3	.2	3	.4				
Average survivor annuity.....	\$34.35		\$40.50		\$36.86		\$25.79	
Average actual employee annuity of the deceased.....	46.22		40.50		49.15		51.58	

¹ Under Option A, the widow receives as much as her husband was receiving or was entitled to receive during his lifetime; under Option B, she receives $\frac{1}{2}$ as much; under Option C, $\frac{1}{4}$ as much.

single-life annuity of the deceased. The figures indicate that the proportion of deaths among employee annuitants electing Option A has been larger than among those electing the other options. Older annuitants as well as disability annuitants who have shorter life expectancies tend to elect Option A.

The average monthly amount of survivor annuity payable to individuals certified under the different options to June 30, 1939, was \$40.50 under Option A, \$36.86 under Option B, and \$25.79 under Option C. The relative size of the average monthly amount payable under the different options reflects in the main the different proportion incorporated in the options. The average for all survivor annuities was \$34.35.

Death-Benefit Annuities Under the 1935 Act

Death-benefit annuities are provided under the 1935 act only and are payable with respect to the deaths of employees who are certified for annuities or entitled to receive annuities under that act. In general, an employee is so entitled if before June 24, 1937, the effective date of the 1937 act, he had ceased compensated service for an employer under the act, had relinquished all rights to return to such service, and was otherwise eligible for an annuity.

The death-benefit annuity is equal to one-half the monthly annuity so paid or payable, before any reduction resulting from the election of a joint and survivor annuity. It is payable for 12 months to the surviving spouse or, if there is no spouse, to the dependent next of kin of the deceased annuitant.

Of the 104,338 employee annuities certified to August 31, 1939, approximately 22,300 were certified under the 1935 act. New certifications under the 1935 act are currently being made at the rate of less than 50 a month and will probably disappear in the not far distant future. Since deaths among annuitants under the 1935 act are occurring at the rate of 150 to 200 per month, the number of such annuities in force is gradually decreasing.

By June 30, 1939, 3,773 deaths among employee annuitants under the 1935 act had been reported to the Board. In 310 cases, the rights of survivors to death-benefit annuities had not been determined by June 30, 1939. With respect to 804, or 23.2 percent of the remaining 3,463 deaths, there was no surviving spouse or dependent next of kin, and no payment therefore could be made. In an additional 32 cases, or 0.9 percent, the existence of a surviving spouse or dependent next of kin was known, but these individuals either could not be located or the information necessary for making the payment could not be obtained. These claims may still be paid but are at present considered as abandoned. In the remaining 2,627 cases, or 75.9 percent of those for which a determination had been made by June 30, 1939, survivors were certified to receive death-benefit annuities.⁸

In addition to the 2,627 death-benefit annuities resulting from the death of an employee annuitant, 778 resulted from the death of individuals

⁸ In 850 or 32.4 percent of these 2,627 cases a joint and survivor election had been made, and the surviving spouse received not only a 12 months' death-benefit annuity but also a survivor annuity for life.

who had never received employee annuities but who were entitled to receive them at the time of death.

Table 4 summarizes information on the payments of these death-benefit annuities from the beginning of the Board's operations to August 31, 1939. During the fiscal year 1938-39, 1,720 were certified as compared with 1,435 in 1937-38 and 250 prior to July 1, 1937. An additional 203 were certified during the first 2 months of the fiscal

year 1939-40. These annuities terminate after 12 months or earlier if, on the death of the spouse or dependent next of kin, there is no other dependent next of kin. Except for the initial period to January 1938, the number of death-benefit annuities in force has therefore tended to increase very slowly and has never reached 800. During the fiscal year 1938-39, when 1,720 new certifications of death-benefit annuities were made, there were 1,599 terminations. The average new death-

Table 4.—Number and monthly amount payable of new certifications for death-benefit annuities, under the 1935 act, terminations by completion of payments and by death, net adjustments, and number in force and monthly amount payable at end of month, by fiscal years and by months, November 1936–August 1939¹

Fiscal year and month	New certifications ²		Terminations by completion of payments or death		Net adjustments ³		In force at end of month	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Cumulative through August 1939.....	3,608	\$132,664	2,880	\$107,417	-1	\$457		
Total, 1936-37.....	250	9,380	12	464	0	0		
1936								
November.....	3	81	0	0	0	0	3	\$81
December.....	2	89	0	0	0	0	5	171
1937								
January.....	7	301	0	0	0	0	12	672
February.....	23	827	0	0	0	0	35	1,300
March.....	20	754	0	0	0	0	55	2,054
April.....	51	1,875	0	0	0	0	106	3,930
May.....	74	2,531	0	0	0	0	176	6,461
June.....	74	2,918	12	464	0	0	238	8,916
Total, 1937-38.....	1,435	53,518	1,023	38,354	-1	151		
July.....	40	1,301	19	811	0	0	250	9,406
August.....	115	4,292	36	1,283	0	7	338	12,423
September.....	112	3,910	47	1,732	0	16	403	14,597
October.....	70	2,617	49	1,646	0	0	424	15,588
November.....	94	3,375	42	1,564	0	0	476	17,379
December.....	158	5,988	56	2,111	0	47	578	21,304
1938								
January.....	134	5,041	105	4,002	0	22	607	22,366
February.....	70	2,786	77	2,932	0	0	600	22,220
March.....	104	4,042	100	4,148	-1	21	597	22,135
April.....	256	9,552	160	5,618	0	27	693	25,096
May.....	169	6,333	186	7,185	0	9	676	25,254
June.....	113	4,274	140	5,297	0	0	649	24,222
Total, 1938-39.....	1,720	62,700	1,599	59,847	1	278		
July.....	167	6,258	166	6,457	-1	-12	649	24,021
August.....	133	4,905	138	4,956	-1	-20	643	23,636
September.....	193	7,286	147	5,757	0	2	689	25,481
October.....	105	3,745	138	5,284	-1	-31	655	20,911
November.....	189	6,920	130	5,097	1	158	715	25,893
December.....	121	4,325	134	4,704	1	33	703	25,547
1939								
January.....	112	4,064	119	4,402	0	12	696	25,222
February.....	100	3,538	102	3,690	1	33	695	25,160
March.....	189	6,872	140	5,119	-2	-40	742	26,816
April.....	136	5,124	135	5,091	2	59	745	26,900
May.....	141	4,988	129	4,901	0	9	757	27,006
June.....	134	4,668	121	4,384	1	73	771	27,364
Total, 1939-40 through August 1939.....	203	7,065	246	8,750	-1	27		
July.....	119	4,218	126	4,408	0	11	764	27,006
August.....	84	2,846	120	4,251	-1	15	727	25,706

¹ Correction for a claim that has been certified or terminated in error or for an incorrect amount is made in figures for month in which error is discovered and not in those for month in which error is made. To this extent, number and amount shown for any given month differ slightly from actual monthly activity.

² In a few cases, payments arising from the death of a single individual are made to more than one person. Such cases are here counted as single items

throughout, completing an adjustment which in the Board's 1938 Annual Report, was carried back to June 1938 only.

³ Suspensions are subtracted and reinstatements of suspended annuities are added. Recertifications of annuities result in additions to amount but not to number of cases. For this reason, amount of adjustment bears no relation to net number of cases adjusted. Net adjusted amount is usually positive because of preponderant effect of recertification.

benefit annuity certification in each fiscal year has been approximately \$37 per month.

Lump-Sum Death Benefits

In the 1937 act, the provision for a 12-month death-benefit annuity was dropped and a lump-sum death benefit was provided, payable to the designated beneficiary or legal representative of any deceased individual who had compensation credited under the act after December 31, 1936. The amount paid in each case is equal to 4 percent of such credited compensation (excluding compensation in excess of \$300 in any one month), less any employee and survivor annuities paid or due at time of death.

As shown in table 5, there were 18,088 lump-sum death-benefit payments made to August 31, 1939. In 16,963 or 93.8 percent of these cases the benefit was paid with respect to the death of individuals who had not prior to death filed applications for employee annuities. Practically all of them were not yet eligible for an annuity; a few may have met the age or disability requirements for an annuity but for some reason had not filed a claim. The majority of death-benefit payments will always arise from the deaths of employees who have not yet reached retirement age.

The remaining 1,125 payments arose out of deaths which occurred after application for an employee annuity had been filed. In 1,067 of these cases the claim for an employee annuity had not yet been certified at the time of death, and since it was clear that the accrued amount of annuity payments was less than 4 percent of the individual's credited compensation after December 31, 1936, the claim was settled by a lump-sum death payment amounting to the full 4 percent of credited compensation. The number of such cases will ordinarily be relatively unimportant, since the probability of deaths occurring during the period between application and certification is relatively slight and becomes even less as the period of adjudication is shortened. In 40 cases the employee annuity had been certified, but the annuitant had died in the month of accrual, and therefore no annuity was payable. The lump-sum death payment in these cases, therefore, amounted to the full 4 percent of the credited compensation earned after December 31, 1936. Finally, in 18 cases the employee annuity had been

certified, and payment had begun before death occurred, but the total annuity payments had not equaled 4 percent of the credited compensation. A lump-sum death payment equal to the remainder of the 4 percent was made.

The death of an employee annuitant under the 1937 act rarely gives rise to a lump-sum death payment at the present time. By June 30, 1939, 6,370 deaths among employee annuitants under the

Table 5.—Number and average amount of lump-sum death-benefit payments under the 1937 act, by fiscal years and by months, January 1938–August 1939

Fiscal year and month ¹	Number	Average amount ²
Cumulative through August 1939.....	18,088	\$89.94
Total, January through June 1938.....	666	52.70
1938		
January.....	2	36.21
February.....	31	42.16
March.....	52	42.77
April.....	114	48.82
May.....	249	52.40
June.....	218	59.08
Total, 1938-39.....	15,359	85.08
July.....	305	60.33
August.....	584	58.75
September.....	686	59.13
October.....	545	63.12
November.....	597	64.87
December.....	1,359	65.84
1939		
January.....	1,735	70.59
February.....	1,933	84.51
March.....	2,575	93.72
April.....	2,193	101.15
May.....	1,552	105.50
June.....	1,295	118.50
Total, 1939-40 through August 1939.....	2,063	130.33
July.....	849	124.89
August.....	1,214	134.13

¹ Based on months ending on 20th calendar day.

² Monthly averages are based on initial certification; cumulative average includes recertifications of 36 claims, resulting in an increase of \$884.11.

1937 act had been reported to the Board. Lump-sum death-benefit rights had been adjudicated in all but 70 of these cases by that date. Excluding these cases still pending, in only 0.8 percent of the deaths was a lump-sum payment due.⁹ It is anticipated that, in the future, lump-sum payments after the death of employee annuitants will be relatively more important. As employees are credited with increased amounts of compensation after December 31, 1936, there will be an increased number and proportion of employee annuitants whose total annuity payments will not equal 4 percent of credited compensation.

⁹ Includes cases in which, though certification had been made, no annuity payment was payable because the annuitant had died in the calendar month of accrual.

The principal factor accounting for the small number of death payments resulting from the deaths of annuitants under the 1937 act was that the amount of employee annuity paid or due exceeded 4 percent of credited compensation. This was the situation in 65.3 percent of the cases in which no payment was due. In another 22.0 percent of the cases the employee annuitant had no credited compensation subsequent to December 31, 1936, the annuity having been based entirely on service prior to January 1, 1937. In 12.7 percent of the cases a survivor annuity was payable, and no lump-sum death payment would be payable until after the death of the survivor annuitant. To date no such lump-sum payments have been made.

Average Payment

As shown in table 5, the average payment for all lump-sum death benefits has increased almost uninterruptedly from month to month, reflecting an increasing accumulation, on the average, of credited compensation after December 31, 1936. The average payment in August 1939 was \$134.13. The average of all lump-sum payments to August 31, 1939, was \$89.94.

The average payment with respect to the death of the 16,963 individuals who had not applied for an employee annuity was slightly higher (table 6), amounting to \$90.22, and the average payment with respect to the deaths of the 1,067 uncertified employee-annuity applicants was \$84.70, or about \$5.00 lower than the average of all payments. It is probable that the applicants for employee annuities had, on the average, ceased compensated employment for a longer time prior to death and therefore had less credited compensation after December 31, 1936. In the 18 cases in which employee-annuity payments had been made, 4 percent of credited compensation averaged \$123.93, the previous annuity payments averaged \$66.64, and the lump-sum benefit averaged \$57.29.

Claims and Adjudications

To August 31, 1939, only 21,410 lump-sum death-benefit claims had been received with respect to the death of individuals who had not applied for an employee annuity (table 6), whereas it is estimated that approximately twice that number of individuals with compensated service

Table 6.—Number of applications, certifications, and denials, and average amount of lump-sum death-benefit payments under the 1937 act with respect to the death of individuals who had not filed applications for annuities, by fiscal years and by months, November 1937–August 1939

Fiscal year and month ¹	Received	Certified		Denied
		Number	Average amount ²	
Cumulative through August 1939.....	21,410	16,963	\$90.22	280
Total, 1937-38.....	8,198	598	53.29	46
1937				
November.....	568	0	0	0
December.....	507	0	0	0
1938				
January.....	588	1	47.88	0
February.....	804	19	44.16	0
March.....	1,538	45	43.47	12
April.....	1,535	104	49.89	16
May.....	1,469	221	52.34	12
June.....	1,099	208	58.98	6
Total, 1938-39.....	11,328	14,430	86.26	182
July.....	920	262	61.15	3
August.....	1,042	483	60.61	12
September.....	865	578	59.43	10
October.....	977	507	62.02	18
November.....	858	558	64.57	18
December.....	870	1,294	65.46	13
1939				
January.....	887	1,692	70.69	12
February.....	926	1,824	84.12	12
March.....	1,086	2,464	93.72	42
April.....	941	2,096	101.19	13
May.....	972	1,444	104.70	13
June.....	954	1,228	118.60	14
Total, 1939-40 through August 1939.....	1,884	1,935	130.67	22
July.....	819	785	125.10	11
August.....	1,065	1,150	134.48	11

¹ Based on months ending on 20th calendar day.

² Monthly averages are based on initial certification; cumulative average includes recertifications of 35 claims, resulting in an increase of \$882.22.

³ Includes a few claims received prior to November 1937.

after December 31, 1936, had died by that date. This deficiency of claims represents principally cases in which the deceased individual was not an employee of, or in an employment relation to, an employer under the act at the time of his death. In most such cases, the credited compensation since December 31, 1936, is small.

The regulations of the Railroad Retirement Board require the employer to notify the Board of the death of all employees in active service or in an employment relation. When such notification is received and a check of the Board's records reveals that the deceased had earnings under the act subsequent to December 31, 1936, the Board sends an application blank to the designated beneficiary or beneficiaries, or, if no designation has been made, to persons considered likely to be the legal representatives of the deceased. In some of

these cases, particularly when small sums are involved, the application blank and other information required are not returned to the Board, and the Board cannot make any payment.

The figures in table 6 show that claims received prior to December 1938 greatly exceeded claims adjudicated. This delay in adjudication arose from the necessity of solving many problems involving payments where no designation of a beneficiary had been made. With these problems solved, certifications exceeded applications, and the number of pending claims rapidly decreased.

By August 31, 1939, 17,213 of the 21,410 claims received had been adjudicated. In all but 250 of these cases the claim was approved for certification. These 250 represent principally cases in which the deceased had worked for an employer under the act prior to January 1, 1937, but had no credited compensation after December 31, 1936.

Designation of Beneficiaries

While survivor annuities are payable only to the spouse and death-benefit annuities only to the spouse or dependent next of kin, payments of lump-sum death benefits under the 1937 act may be made to any beneficiary or beneficiaries designated by the employee or the employee annuitant prior to his death.¹⁰ When no such designation has been made, or when the designated beneficiary or beneficiaries have died, the payment is made to the legal representative of the deceased employee or employee annuitant.

The Board distributed death beneficiary designation forms in June 1938 to all employees who at that time were employed by, or in an employment relation to, an employer under the act. By August 31, 1939, approximately 1,230,000 completed forms had been returned, exclusive of those returned by annuitants or applicants for annuities. The number of additional designations being received currently is not large, and there will

probably always be a substantial number of employees who have not designated a beneficiary.

While these designations were primarily intended for use in determining rights to death benefits under the 1937 act, they also determine the disposition of any annuity payments due at the employee annuitant's death. The Board has accordingly requested employee annuitants certified under either the 1937 or the 1935 act to make similar designations. To August 31, 1939, approximately 70,000 had done so.

Of death claims for accrued annuities or lump-sum death benefits approved to June 30, 1939, only 23 percent were paid to named beneficiaries, while 19 percent were paid to executors or administrators, and 58 percent to the relative determined to be entitled thereto under State laws. In recent months, however, more than half of the payments have been made to a person or persons specified by the employee in a designation filed with the Board.

Duplicate copies of the designations are now being returned to the designators after examination as to correctness of form and verification or correction of the social security account number. Return of the duplicate serves as a notice that the designation is on file with the Board. About 685,000 duplicates were returned in the period August 9 to September 25, 1939. Almost 2 percent of the duplicates mailed out have been returned to the Board by the post office, because the address given was incorrect or insufficient.

About four out of five of the beneficiary forms currently received by the Board are original designations, the others being chiefly corrections of designations that had been returned as incorrect in form. It is anticipated that many changes in beneficiaries will be made, since, under the Board regulations, an employee may at any time revoke, change, or make a new designation. Return of the duplicate forms will probably lead to changes in previously named beneficiaries, since receipt of the duplicate may remind the designator that a change in the designation of death-benefit beneficiary is desirable because of changes in marital and family status and responsibilities.

¹⁰ See Railroad Retirement Board, *Annual Report*, 1938, ch. VI, for an analysis, based on a sample of the death beneficiary designations received by the Board, of the relationship of the persons designated as beneficiaries to the persons making the designations.

CHILDREN IN URBAN AND RURAL FAMILIES

BARKEV S. SANDERS AND DORIS CARLTON *

DETAILED information on the familial relationships of children under 16 years of age has not been available in the United States. Census data on families are not restricted to families in the bio-legal¹ sense but refer to all the members of a unit living together who are related to one another. The study of family composition in the United States has made available for the first time information on children in bio-legal families for a relatively large sample.

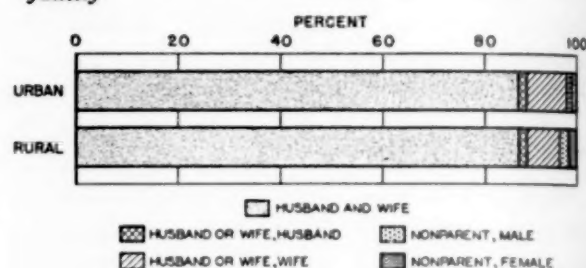
This information is significant both sociologically and administratively in considering means of providing more adequate security for the child population of the country. The data are also timely in that they indicate the size of the child population potentially eligible for assistance under the existing social security legislation and the group which will be affected by the recently enacted amendments to the Social Security Act.

Children as a group constitute the most needy segment of the population. In an earlier article in this series,² it was indicated that the economic status of families with children is distinctly less favorable than that of families without children. These reports showed that 71 percent of the urban child population lived in families reporting either relief or incomes of less than \$1,500 per year and thus had incomes which, by well-accepted American budgetary standards, were either inadequate or barely adequate to supply the minimum necessities for growing children.

Of the 931,269³ urban families included in the

family composition study, 336,646 reported one or more children under 16 years of age. In these families there were 647,420 children under 16. On this basis, families with children had an average of less than two children in each family, and for all families there was an average of about two children for every three families. Children constituted 26 percent of all individuals in the urban sample.

Chart I.—Percentage distribution of children under 16 years of age in urban and rural families, by type of family



Of the 47,174 rural families sampled, 20,698 had children, and there were 46,335 children. On the average, there were more than two children in each family with children, and for all rural families there was approximately one child per family. Children constituted 33 percent of all individuals in the rural sample.

Comparison with 1930 census data indicates that, broadly speaking, the urban data from the family composition study are sufficiently typical to warrant the extension of the findings to the entire urban population of the country. The rural sample is less representative; nevertheless, the findings described here are at least suggestive of the distribution of children in rural families.⁴

The present analysis shows the proportionate magnitude of the child population in urban and rural families and their distribution in bio-legal family units. It shows the percentages of children living in families in which both parents are present and those living in families from which one or both parents are missing. It shows the

*Bureau of Research and Statistics, Division of Health Studies. This article, the fourth in a series, is based on findings from the study of family composition in the United States, which utilizes data from schedules of the National Health Survey and is conducted as Work Projects Administration Project Nos. 365-31-3-5, 765-31-3-3, and 65-2-31-44 under the supervision of the Bureau of Research and Statistics. Data from the study are preliminary and subject to revision. For earlier articles, see the *Bulletin* for April, May, and September 1939.

¹ A "bio-legal" family consists of: (a) one or both spouses and their unmarried children, if any, including adopted or foster children, living together as a family unit; or (b) unmarried sisters and/or brothers, including adopted or foster brothers and sisters, living together as a family unit; or (c) persons living in extra-familial groups or by themselves, who are considered as separate one-person families. Except when otherwise specified, "family" is used subsequently in this article within the meaning of this definition, and "child" is used to refer to a child under the age of 16.

² Falk, I. S., and Sanders, Barkev S., "The Economic Status of Urban Families and Children," *Social Security Bulletin*, Vol. 2, No. 5 (May 1939), pp. 25-34.

³ Excludes 110 families with an unknown number of children.

⁴ See Sanders, Barkev S., "Family Composition in the United States," *Social Security Bulletin*, Vol. 2, No. 4 (April 1939), pp. 9-13.

presence and number of children in families of different types, classified according to the age of the head of the family.

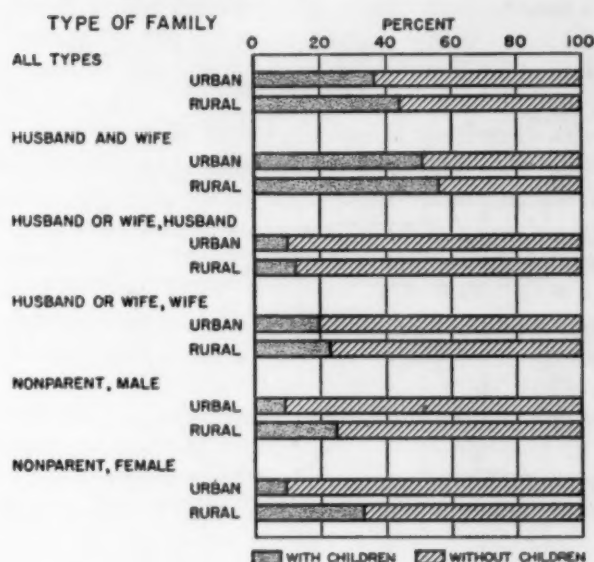
Children in Different Types of Families

The large majority of urban and rural children—87 percent—are found in husband-and-wife families¹ (chart I and table 6). The family type which reports the second largest proportion of children is one-spouse families with the wife only. Families of this type include 9 percent of the urban and 7 percent of the rural children reported in the sample. About 4 percent of the urban and 6 percent of the rural children are in motherless families or in families where neither parent is present.

The predominance of children in husband-and-wife families is to be attributed not only to the fact that a higher proportion of these families have children but also that there are more multi-child

¹ The families studied are classified by 5 major types, as follows, according to the relationship of the members to the head: (1) *Husband-and-wife families*. Families with both spouses, with or without unmarried children; (2) *Husband-or-wife families, husband*. Families with only the male spouse, with or without unmarried children; (3) *Husband-or-wife families, wife*. Families with only the female spouse, with or without unmarried children; (4) *Nonparent families, male*. Families without either spouse, with an unmarried male as the head, with or without unmarried sisters and/or brothers; (5) *Nonparent families, female*. Families without either spouse, with an unmarried female as the head, with or without unmarried sisters and/or brothers.

Chart II.—Percentage distribution of urban and rural families with and without children under 16 years of age, by type of family



families in this type of family. Chart II shows that while for all families, irrespective of type, 36 percent of the urban and 44 percent of the rural families reported children the corresponding percentages for husband-and-wife families are 51 and

Table 1.—Number of urban families of specified type with and without children under 16 years of age, and percentage distribution by age of head of family

[Preliminary data subject to revision]

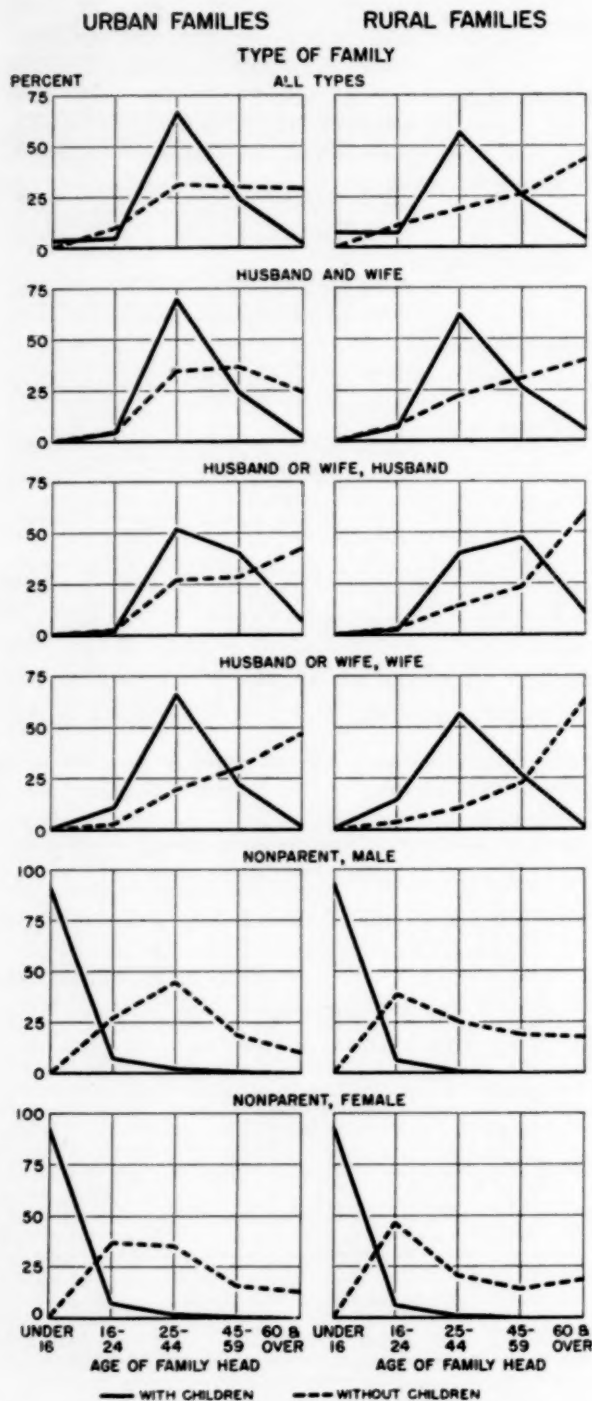
Type of family ¹	Number of urban families ²	Age group of head of family (years)						
		All ages	Under 16	16-24	25-44	45-59	60-64	65 and over
All types.....	929,085	100.0	1.2	7.9	44.1	27.7	6.3	12.8
Husband and wife.....	553,550	100.0	(³)	4.2	52.6	30.3	5.4	7.5
Husband or wife, husband.....	63,463	100.0	(³)	2.4	29.3	29.4	9.3	29.6
Husband or wife, wife.....	176,286	100.0	(³)	4.1	28.9	28.5	10.2	28.3
Nonparent, male.....	62,561	100.0	8.2	25.4	40.8	16.7	3.5	5.4
Nonparent, female.....	73,225	100.0	8.6	34.0	32.0	13.9	4.1	7.4
Families with children, total.....	336,454	100.0	3.4	4.6	66.6	23.6	1.2	.6
Husband and wife.....	282,634	100.0	(³)	3.8	69.9	24.4	1.3	.6
Husband or wife, husband.....	6,369	100.0	(³)	1.7	51.6	40.1	4.1	2.5
Husband or wife, wife.....	34,917	100.0	.1	10.8	66.0	22.2	.6	.3
Nonparent, male.....	5,650	100.0	90.8	7.5	1.6	.1	(³)	-----
Nonparent, female.....	6,884	100.0	91.3	7.0	1.6	.1	(³)	-----
Families without children, total.....	592,631	100.0	-----	9.7	31.3	30.0	9.3	19.7
Husband and wife.....	270,916	100.0	-----	4.6	34.7	36.3	9.8	14.6
Husband or wife, husband.....	57,094	100.0	-----	2.4	26.9	28.2	9.9	32.6
Husband or wife, wife.....	141,369	100.0	-----	2.5	19.7	30.1	12.5	35.2
Nonparent, male.....	56,911	100.0	-----	27.1	44.7	18.4	3.9	5.9
Nonparent, female.....	66,341	100.0	-----	36.8	35.2	15.4	4.8	8.1

¹ For definitions of "family" and family types, see footnotes 1 and 5 in text.

² Excludes 2,294 families with unknown age of head and/or number of children.

³ Less than 0.05 percent.

Chart III.—Percentage distribution of urban and rural families with and without children under 16 years of age for specified types of families, by age of family head¹



¹ The horizontal scale is not uniform. The purpose of the chart is to indicate differences in patterns for families with and without children, and also for various family types.

55, respectively.⁶ In contrast to these relatively high proportions, 10 percent or less of each of the three urban types—one-spouse families with a male head and nonparent families, male and female—reported children. The proportions for rural families of these three types are higher. They are, nevertheless, smaller than the proportion of husband-and-wife families with children. In families with the wife only, which account for 9 percent of the urban and 8 percent of the rural children, 20 percent of the urban and 23 percent of the rural families reported children.

In all family types the proportion of families with young children is greater in the rural sample, as is to be expected in view of the higher birth rate in rural areas. The excess is particularly striking in nonparent families, especially those headed by a woman, in which 33 percent of rural families have children as compared with 9 percent of the urban families. The corresponding percentages for nonparent-male families are 25 and 9. This excess cannot be attributed entirely to the differential birth rate but must be accounted for in terms of other demographic phenomena which differentiate rural areas from urban.

Comparison of the percentages of families of specified types in the urban and rural samples indicates that a larger relative proportion of rural families are husband-and-wife families, while there are relatively fewer families with the wife only and nonparent families headed by a woman.⁷ The smaller proportion of rural families with the wife only indicates in all probability the lesser frequency of divorce and separation among rural families. The smaller proportion of rural nonparent-female families suggests (1) early marriages;⁸ (2) the tendency for young unmarried rural women who leave the parental home to move

⁶ The remaining families in these groups are not necessarily childless; they merely represent families in which no child was living at the time of the canvass. A considerable fraction of families without children are families of aged persons, whose children have reached or passed age 16, and another fraction consists of recently established families which may subsequently have children.

⁷ The distribution of families by type is as follows:

	Urban	Rural
All types.....	100.0	100.0
Husband and wife.....	59.6	65.6
Husband or wife, husband.....	6.8	7.6
Husband or wife, wife.....	19.0	15.1
Nonparent, male.....	6.7	6.8
Nonparent, female.....	7.9	4.9

⁸ The 1930 census indicates that in the urban population 89 percent of females in ages 15-19 are single, 51 percent in ages 20-24, and 25 percent in ages 25-29. The corresponding percentages for the rural population are 84, 39, and 16.

to urban centers;⁹ and (3) a somewhat greater cohesiveness of rural families, in that adult children, especially females, less often leave parental homes prior to marriage. These three factors combined would probably account for the excessive proportion of nonparent-female families reporting children, and to a certain extent nonparent-male families, since in the rural areas these families are predominantly made up of orphans. On the other hand, a larger proportion of nonparent families in urban centers is composed of adult individuals who have left parental homes before marriage.

Proportion of Families With Children, by Family Type and Age of Family Head

The distribution of urban families with and without children, by family type and age of family head, is given in table 1.¹⁰ The distribution by age of the head of the family for the various types of families, regardless of the presence or absence of children, indicates, as would be expected, that

⁹ The 1930 census shows that, on the average, there are more than 98 males to every 100 females in the urban population; however, the ratio is 91.9 in ages 15-19, 89.4 in ages 20-24, and 94.5 in ages 25-29, indicating a definite excess of females in these age categories in cities. This excess would be even more marked in the large metropolitan centers.

¹⁰ The head of the family was determined as follows: In husband-and-wife families, the husband was always designated as the head; in one-spouse families, the spouse; and in nonparent families, the oldest person. In one-person families, of course, the person was counted as the head of the family.

the family heads in nonparent families are, in general, in the younger age groups; the family heads in the families with either the husband or wife are in the older age groups; and the heads of husband-and-wife families are in the intermediate age groups.

In the group with the head of the family aged 25-44 the proportion of families with children is twice as large as in the group without children. This situation is reversed in families headed by persons aged 60-64, where the proportion of families without children is about 8 times as large as that of families with children. The comparison of families headed by persons aged 65 and over is even more striking; the percentage of families without children is 33 times as large as that of families with children.

Comparison of the percentage distributions of families with and without children, taking into consideration both family type and the age of family head, shows that in husband-and-wife families with children the concentration is predominantly in ages 25-44, while for nonchild families there is a reasonably even distribution in ages 25-59. In motherless families with children the concentration is in ages 25-59, while in those without children the most marked concentration is in the ages 65 and over. In fatherless families with children the most marked concentration oc-

Table 2.—Number of rural families of specified type with and without children under 16 years of age, and percentage distribution by age of head of family

[Preliminary data subject to revision]

Type of family	Number of rural families ¹	Age group of head of family (years)						
		All ages	Under 16	16-24	25-44	45-59	60-64	65 and over
All types.....	47,007	100.0	3.1	9.3	35.5	25.6	8.0	18.5
Husband and wife.....	30,516	100.0	-----	6.8	44.2	28.4	7.8	12.8
Husband or wife, husband.....	3,559	100.0	-----	2.9	17.2	26.7	10.9	42.3
Husband or wife, wife.....	7,101	100.0	-----	.2	5.9	23.5	10.2	38.9
Nonparent, male.....	3,213	100.0	23.2	30.4	19.0	14.1	4.6	8.7
Nonparent, female.....	2,318	100.0	30.7	33.1	14.3	9.5	4.0	8.4
Families with children, total.....	20,651	100.0	7.1	6.9	56.4	25.2	2.8	1.6
Husband and wife.....	17,000	100.0	-----	6.4	61.9	26.8	3.1	1.8
Husband or wife, husband.....	441	100.0	-----	2.0	39.5	47.8	5.7	5.0
Husband or wife, wife.....	1,647	100.0	-----	.8	14.8	26.3	1.1	.5
Nonparent, male.....	801	100.0	93.3	6.0	.7	-----	-----	-----
Nonparent, female.....	762	100.0	93.3	6.0	.7	-----	-----	-----
Families without children, total.....	26,356	100.0	-----	11.1	19.1	26.0	12.1	31.7
Husband and wife.....	13,816	100.0	-----	7.3	22.3	30.4	13.7	26.3
Husband or wife, husband.....	3,118	100.0	-----	3.1	14.1	23.6	11.6	47.6
Husband or wife, wife.....	6,454	100.0	-----	3.2	10.6	22.7	13.0	50.5
Nonparent, male.....	2,412	100.0	-----	38.4	25.1	18.8	6.1	11.6
Nonparent, female.....	1,556	100.0	-----	46.4	21.0	14.2	5.9	12.5

¹ Excludes 172 families with unknown age of head and/or number of children.

Table 3.—Number of urban families with specified age of head of family, percent with children, and percentage distribution by number of children under 16 years of age

[Preliminary data subject to revision]

Age group of head of family (years)	Number of urban families ¹	Percent with children	Percentage distribution of families with children by number of children per family				
			Total	1	2	3	4 or more
All ages.....	929,085	36.2	100.0	48.8	28.3	12.6	5.6
Under 15.....	10,010	100.0	100.0	86.5	10.8	2.1	.5
15-19.....	18,557	16.5	100.0	83.9	12.1	2.9	.6
20-24.....	55,756	24.9	100.0	75.1	19.7	4.3	.7
25-29.....	92,005	45.0	100.0	58.4	28.3	9.2	3.0
30-34.....	98,998	57.6	100.0	44.8	32.5	13.5	5.5
35-39.....	110,883	59.8	100.0	37.1	32.6	16.2	7.6
40-44.....	108,036	55.0	100.0	39.1	30.3	15.5	7.8
45-49.....	100,679	42.8	100.0	46.4	26.9	13.7	6.6
50-54.....	88,500	28.5	100.0	55.2	24.2	11.3	5.1
55-59.....	67,837	16.3	100.0	62.1	22.1	9.1	3.6
60-64.....	59,117	6.9	100.0	66.6	20.0	7.4	3.4
65 and over.....	118,707	1.6	100.0	68.4	18.3	8.0	2.9

¹ Excludes 2,294 families with unknown age of head and/or number of children.

curs in ages 25-44, while in those without children the concentration occurs in ages 45 and over, and more especially in ages 60 and over. In nonparent families with children the vast majority are found in families where the head is under 16,¹¹ while the bulk of nonparent families without children have family heads in ages 16-44.

Table 2 shows the distribution of rural families with and without children, by family type and age of the family head. A comparison of the age distribution of rural families with the figures given in table 1 indicates that the rural sample has a larger proportion of families headed by younger persons and also a higher proportion of families headed by aged persons.

Rural families with and without children, in terms of age of head and family type, show a marked similarity to the corresponding distribution of urban families. For each type, families with children show a concentration in the same age groups as in urban families. The proportion of rural families with heads in the older age groups is somewhat higher than that in the urban sample for families with children and is much higher for nonchild families. Husband-and-wife families without children constitute a smaller percentage in the rural age group 25-44 and a particularly high proportion in ages 60 and over. The percentage distribution of urban and rural families with and without children is shown graphically in chart III.

¹¹ Nonparent families with heads under the age of 16 consist, almost exclusively, of children who are living in the homes of relatives.

Proportion of Families With Specified Number of Children by Age of Family Head

Economically and socially it is important to determine the number of children in the family, as well as the presence or absence of children, in relation to age of family head. Table 3 presents the percentage distribution of urban families classified according to the age of the head of the family and the number of children. Of all families reporting children, almost 50 percent had only one child, somewhat less than 30 percent had two children, and more than 20 percent had three or more.

When the age of the head of the family is taken into consideration, the proportion of one-child families decreases progressively through the group headed by persons aged 35-39. In this group more than one-third reported one child, nearly one-third reported two children, and slightly less than one-third reported three or more. Beginning with families headed by persons aged 40-44, the proportion of families with children who have only one child increases progressively. It is apparent, however, that a larger relative proportion of families headed by persons aged 40-54 reported three or more children.

The distribution of rural families headed by persons of specified age, according to number of children in the family, is given in table 4. More than 40 percent of the families with children have one child, 25 percent have two children, and somewhat less than 35 percent have three or more. It

is evident that a relatively higher proportion of rural than of urban families has more than one child per family.

For each specific age group the proportion of all rural families with children is larger than that of urban families, although the proportion of rural families with only one child is smaller, as is the proportion of two-child families headed by persons aged 30-54. However, for all other multi-child families the percentages in the rural sample are higher, and the excess is particularly marked in families with four or more children.

The proportion of families with one child decreases progressively as the age of the head of the family increases through ages 35-39. In this group only about 25 percent of the families with children have only one child, about 25 percent have 2 children, and almost 50 percent have three or more. From age 40 on, the percentage with only one child increases steadily.

A comparison of the proportions of urban and rural families with specified number of children is given in chart IV.

Proportion of Children by Family Type and Number of Children in Family

The analyses thus far have dealt primarily with families rather than children. Table 5 gives the distribution of children in urban and rural families, according to number of children per family. About 25 percent of all urban children are in families with one child, some 30 percent in two-child families, about 20 percent in three-child families, less than 12 percent in four-child families, and less than 14 percent in families with five or more children. In rural families less than 19 percent of the children are in families with one child, 22 percent in families with two children, nearly 20 percent in families with three children, and 15 percent in families with four children. Nearly 25 percent are in families of five or more children, indicating once again the higher proportion of multi-child families among the rural than among the urban groups.

Since the majority of both urban and rural children are in husband-and-wife families, the distribution for these families is approximately

Chart IV.—Percentage distribution of urban and rural families with one or more children under 16 years of age, by number of children, for each type of family

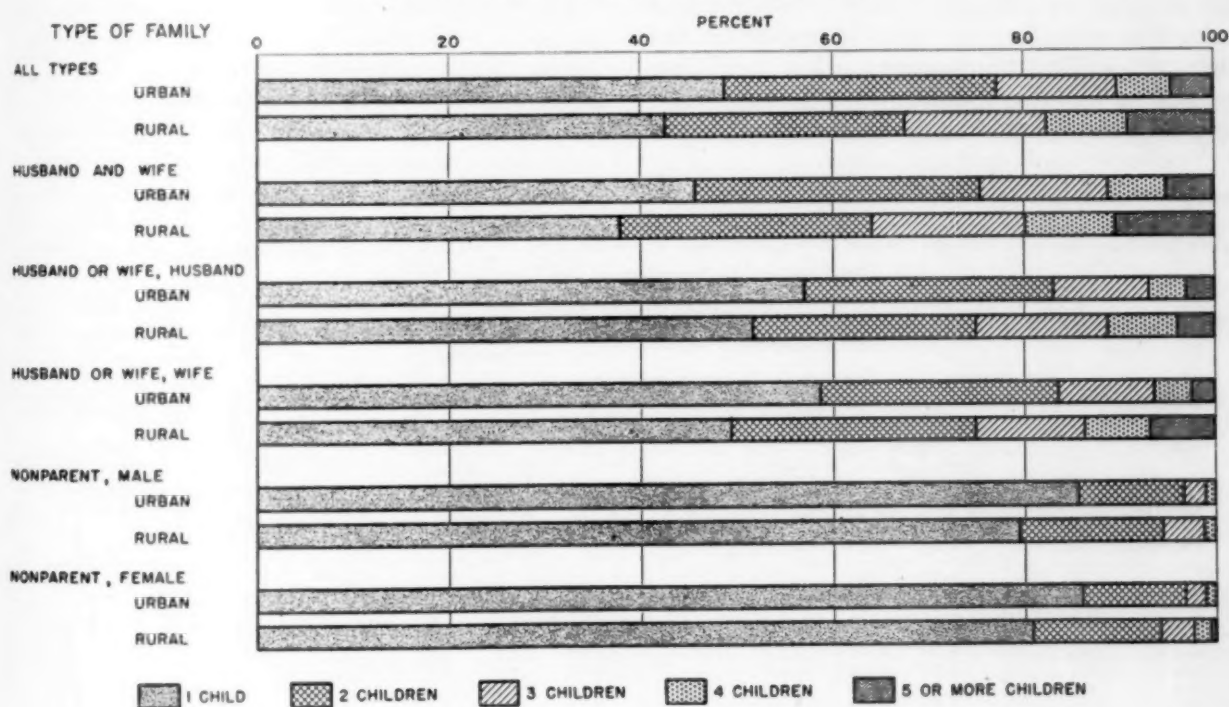


Table 4.—Number of rural families with specified age of head of family, percent with children, and percentage distribution by number of children under 16 years of age

[Preliminary data subject to revision]

Age group of head of family (years)	Number of rural families ¹	Percent with children	Percentage distribution of families with children by number of children per family					
			Total	1	2	3	4	5 or more
All ages.....	47,007	43.9	100.0	42.3	25.0	14.8	8.6	9.3
Under 15.....	1,299	100.0	100.0	80.6	14.8	3.6	1.0	.....
15-19.....	1,295	29.6	100.0	80.7	12.2	3.9	2.4	.8
20-24.....	3,241	37.7	100.0	67.7	24.1	6.1	1.3	.8
25-29.....	4,283	61.9	100.0	46.2	29.9	16.0	5.3	2.6
30-34.....	3,997	73.7	100.0	32.0	27.6	19.0	11.0	10.4
35-39.....	4,214	74.2	100.0	26.2	26.8	18.2	13.3	15.5
40-44.....	4,177	69.8	100.0	29.1	26.4	17.3	11.3	15.9
45-49.....	4,127	57.2	100.0	36.4	24.3	16.4	10.3	12.6
50-54.....	4,150	43.2	100.0	45.4	22.4	13.9	8.6	9.7
55-59.....	3,781	27.8	100.0	52.9	23.0	11.1	6.5	6.5
60-64.....	3,761	15.1	100.0	55.0	21.8	11.3	5.3	6.6
65 and over.....	8,682	3.8	100.0	55.3	23.7	10.5	7.9	2.6

¹ Excludes 172 families with unknown age of head and/or number of children.

the same as for all family types; the proportions are somewhat smaller in families with few children and slightly higher in larger families. For the other family types, the reverse is true.

In urban families with the husband only, nearly one-third of the children are in families with one child, 30 percent with two children, 18 percent with three, 10 percent with four, and less than 10 percent in families with five or more children. The proportionate distribution of urban children in families with the wife only is essentially the same, with a slightly higher proportion of children in families with one child. The corresponding rural families show a relatively lower proportion of children in families of one or two children and, in general, a higher proportion in larger families.

In nonparent urban families, more than 70 percent of the children are in families with one child only, nearly 20 percent with two children, 6 percent with three, and 3 percent are in families with four or more. Nonparent rural families show a relatively lower percentage in families of one child and a higher proportion in families of two or more children.

Table 5 indicates that a higher proportion of children in families of five or more children are found in husband-and-wife families than in other types. This differentiation is made clearer in table 6, which shows the percentage distribution of children in urban and rural families with specified number of children, according to type of family. Thus, while nearly 87 percent of all

Table 5.—Number of children under 16 years of age in urban and rural families of specified type, and percentage distribution by number of children per family

[Preliminary data subject to revision]

Number of children per family	Type of family											
	All types		Husband and wife		Husband or wife, husband		Husband or wife, wife		Nonparent, male		Nonparent, female	
	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
Number.....	647,420	46,335	562,275	40,161	11,051	844	59,171	3,323	6,748	1,026	8,175	991
Percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1 child.....	25.3	18.9	23.0	16.1	32.5	27.1	34.5	24.4	71.2	61.9	72.2	62.7
2 children.....	29.5	22.2	29.8	21.9	29.9	24.2	29.3	25.4	19.4	23.2	18.4	21.0
3 children.....	19.7	19.7	20.3	20.4	17.6	21.3	17.8	16.6	6.2	10.5	6.3	7.7
4 children.....	11.7	15.2	12.2	15.9	10.3	14.7	9.4	14.0	2.0	3.9	2.0	3.3
5 children.....	6.8	10.3	7.2	11.0	5.9	5.9	5.1	9.8	.8	.5	.7	2.0
6 children.....	3.9	7.3	4.1	7.8	2.1	5.0	2.4	6.5	.4	.....	.3	.6
7 children.....	1.9	4.0	2.0	4.3	1.0	.8	1.1	2.5	.....	.....	.1	.7
8 children.....	.8	1.7	.9	1.9	.5	1.0	.3	.5	.....	.....	.....	.....
9 children.....	.4	.7	.5	.7	.2	.....	.1	.3	.....	.....	.....	.....

urban children are in husband-and-wife families, less than 79 percent of those in one-child families are in husband-and-wife families, and the proportion increases with increasing number of children per family. In families with five children, over 91 percent are in husband-and-wife families, and in those with nine children, 97 percent. The relative contribution of the other family types is highest in families of one child and decreases with increasing number of children per family. The decrease is particularly sharp in nonparent families.

While 87 percent of all rural children are in husband-and-wife families, the proportion of children from this family type in one-child families is only 74 percent. This percentage rises with increasing family size; 92 percent of those in families of five children are in husband-and-wife families, and the proportion reaches 97 percent in families with eight or nine children. The relative proportion of children in rural fatherless families is less than in the urban sample, while the proportion of children in nonparent families is greater, as indicated earlier.

Proportion of Children by Family Type and Age of Family Head

Table 7 shows the percentage of children in families according to age of the head of the family. For all family types, less than 2 percent of urban children are in families headed by persons under 15 years of age. The highest proportion of children is found in families in which the head is aged 35-39; second in rank are families in which

the head is aged 40-44. The next largest proportion is found in families headed by persons aged 30-34. This relative ranking is the same for rural families, except that the percentages are smaller. In rural families, both the younger and older families contribute a higher proportion of the children than in urban families.

Among children in urban husband-and-wife families, 23 percent are in families in which the head is 35-39, 21 percent in families in which the head is 40-44, and 17 percent in families in which the head is 30-34. In rural husband-and-wife families these three groups rank in the same order; their percentage contributions, however, are consistently lower.

In urban families with the husband only, the highest percentage of children is in families in which the head is aged 40-44, followed by the age groups 45-49 and 35-39. The relative proportion of families headed by older persons is considerably higher in this family type than in husband-and-wife families. This disparity is even more marked in rural families with husband only, in which nearly 56 percent of the children are in families with heads aged 40-54.

In urban families with the wife only, the highest proportion of children is in families in which the head is 35-39, followed by the age groups 30-34 and 40-44. These three age groups contribute 57 percent of all the urban children in families of this type. They also contribute the largest proportion in rural families—about 52 percent.

As indicated, the majority of children from nonparent families are found in families in which the head of the family is under the age of 15.

Table 6.—Number of children under 16 years of age in urban and rural families with specified number of children, and percentage distribution by type of family

[Preliminary data subject to revision]

Number of children per family	Number of children in urban families	Type of urban family						Number of children in rural families	Type of rural family					
		All types	Hus- band and wife	Husband or wife		Nonparent			All types	Hus- band and wife	Husband or wife		Nonparent	
				Hus- band	Wife	Male	Female				Hus- band	Wife	Male	Female
All children.....	647,420	100.0	86.8	1.7	9.1	1.1	1.3	46,335	100.0	86.7	1.8	7.2	2.2	2.1
1 child.....	164,109	100.0	78.8	2.2	12.5	2.9	3.6	8,754	100.0	73.8	2.6	9.3	7.3	7.0
2 children.....	190,794	100.0	87.7	1.7	9.1	.7	.8	10,264	100.0	88.5	2.0	8.2	2.3	2.0
3 children.....	127,683	100.0	89.5	1.5	8.3	.3	.4	9,114	100.0	90.0	2.0	6.0	1.2	.8
4 children.....	75,672	100.0	90.8	1.5	7.3	.2	.2	7,052	100.0	90.3	1.8	6.6	.6	.7
5 children.....	43,950	100.0	91.4	1.5	6.9	.1	.1	4,805	100.0	91.7	1.0	6.8	.1	.4
6 children.....	24,972	100.0	93.3	.9	5.6	.1	.1	3,402	100.0	92.3	1.2	6.3	.....	.2
7 children.....	12,145	100.0	93.6	.9	5.4	.....	.1	1,841	100.0	94.7	.4	4.5	.....	.4
8 children.....	5,368	100.0	95.2	1.1	3.7	.....	.....	800	100.0	97.0	1.0	2.0	.....	.....
9 children.....	2,727	100.0	97.0	1.0	2.0	.....	.....	297	100.0	97.0	.....	3.0	.....	.....

Table 7.—Number of children under 16 years of age in urban and rural families of specified type, and percentage distribution by age of head of family

[Preliminary data subject to revision]

Age group of head of family (years)	Type of family											
	All types		Husband and wife		Husband or wife, husband		Husband or wife, wife		Nonparent, male		Nonparent, female	
	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
Number of children.....	1 647, 059	1 46, 200	561, 982	40, 036	11, 038	844	59, 116	3, 313	6, 748	1, 026	8, 175	961
Percent of children.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under 15.....	1.8	3.5					(²)	.4	79.1	82.1	77.8	78.5
16-19.....	.6	1.1	.1	.2	(²)	.1	1.5	3.1	16.0	15.4	18.2	16.7
20-24.....	2.8	3.8	2.4	3.6	1.1	1.1	7.1	7.7	3.2	1.5	2.3	4.3
25-29.....	10.3	10.9	10.2	11.3	5.0	5.5	13.9	13.7	1.2	.9	1.2	.3
30-34.....	17.0	15.7	17.4	16.7	10.4	6.4	18.8	16.1	.3		.3	.1
35-39.....	22.4	18.8	23.1	19.9	18.8	11.8	21.8	18.3	.2		.2	
40-44.....	20.1	17.2	21.1	18.0	20.1	19.6	16.3	17.2	(²)	.1	(²)	.1
45-49.....	13.6	12.7	14.1	13.3	19.0	17.2	11.9	11.9	(²)		(²)	
50-54.....	7.1	8.6	7.2	8.9	14.0	18.8	6.1	7.8			(²)	
55-59.....	2.8	4.5	2.9	4.7	6.5	11.8	2.0	2.7				
60-64.....	1.0	2.4	1.0	2.6	3.1	4.0	.4	.7	(²)		(²)	
65 and over.....	.5	.8	.5	.9	2.0	3.7	.2	.4				

¹ Excludes 361 children from families with unknown age of family head.
² Excludes 135 children from families with unknown age of family head.

³ Less than 0.05 percent.

This is more true for the rural than for the urban families.

The variations in the proportions of children classified by age of the head of the family and family type are shown more clearly in table 8. In urban families almost all children in families in which the head is under 15 years of age are in nonparent families. Less than one-tenth of the children in families in which the head is 15-19 are in husband-and-wife families, while over two-thirds are in nonparent families and nearly one-fourth are in families with the wife only. Nearly three-fourths of the children from families headed by persons aged 20-24 are in husband-and-wife families, negligible percentages are in motherless families and nonparent families, and nearly one-fourth are in fatherless families.

As the age of the head of the family increases, the proportion of children in husband-and-wife families tends to rise, but this correlation is most marked in families with the husband only. For families with the wife only, the proportion decreases after age 19. In nonparent families the concentration of children is found in families headed by persons less than 20 years of age.

Aid to Children Under the Social Security Act

Recent amendments to the Social Security Act, designed to improve the economic security and welfare of the Nation's children, provide for an

increase in the Federal contribution to State programs for aid to dependent children. Under title IV of the act, the Federal Government, beginning in January 1940, will pay one-half, instead of one-third as formerly, of amounts paid by a State for aid to dependent children. This provision of the act originally authorized Federal payments to States for aid to dependent children below the age of 16. Under the revised act, State payments will be matched by Federal funds for aid to children under the age of 18 if they are regularly attending school.

The old-age insurance provisions (title II) of the Social Security Act have been expanded to provide for the extension of supplementary benefits to dependent children and monthly benefits to surviving children of qualified workers. It has been estimated that 145,000 dependent children will be in receipt of monthly benefits by the end of 1940 under the new old-age and survivors insurance provisions.

The provisions in title IV of the Social Security Act for aid to dependent children apply only to children deprived of parental support, and would provide for children in husband-and-wife families only if one or both parents were incapacitated.¹² The recent amendments to the Social Security

¹² About 20 percent of the children in families added to the rolls for aid to dependent children under the Social Security Act during the fiscal year 1937-38 were living in husband-and-wife families.

Act will make additional provision for some children in husband-and-wife families, in that supplementary benefits will be payable, under specified circumstances, to dependent children of persons who are aged 65 or more and are receiving monthly old-age benefits; however, the number of such children is found to be insignificant—less than one-half of 1 percent of the child population.

Children in fatherless families who are in need because they have been deprived of parental support by reason of death or absence of the father are eligible for assistance under the Federal-State program for aid to dependent children. Eventually, under the provisions of the amended act, many fatherless children, especially those in urban regions, will be entitled to survivors benefits under the Federal old-age and survivors insurance system. Likewise, many of the children in motherless families and families of near relatives, where neither parent is present, are eligible for aid to dependent children if they are in need, and many of them will be eligible for survivors benefits.

In August 1939, 721,000 children received assistance under the Federal-State program for aid to dependent children. This number constitutes approximately 2 percent of the estimated population of the United States under the age of 16. Since the law limits assistance to children who are deprived of the support of one or both parents, the majority of these children are mem-

bers of one-spouse families or nonparent families. The data from the family composition study indicate that almost 5 million of the Nation's children are in broken families, from which one or both parents are missing. About 12 percent of the children in broken families and about one-third of 1 percent of those in husband-and-wife families are now benefiting under the provisions of the Social Security Act for assistance to dependent children.¹³

Ultimately, perhaps 50 percent or more of these children in broken homes will benefit from the provisions of the amended Social Security Act for aid to children, but the vast majority of the child population, more than 90 percent, is not and will not be affected by the act, even though children are economically the least secure segment of our population and are in need of special consideration.

Summary and Conclusion

The analysis of the data on children in urban and rural families indicates that:

(1) Nearly nine-tenths of all children are in husband-and-wife families; a greater proportion

¹³ The estimated number of aged persons included in old-age assistance grants under Federal-State programs for the month of August 1939 was 1.9 million, or 24 percent of the estimated population 65 years of age and over, as compared with the 2 percent of the estimated child population receiving aid to dependent children. In terms of family units, 299,000 families received aid for dependent children, as contrasted with 1.6 million families receiving aid to the aged. These figures may be compared with an estimated 17 million families with children and 7 million families with persons aged 65 and over.

Table 8.—Number of children under 16 years of age in urban and rural families with specified age of head of family, and percentage distribution by type of family

[Preliminary data subject to revision]

Age group of head of family (years)	Number of children in urban families ¹	Type of urban family						Number of children in rural families ²	Type of rural family					
		All types	Hus- band and wife	Husband or wife		Nonparent			All types	Hus- band and wife	Husband or wife		Nonparent	
				Hus- band	Wife	Male	Female				Hus- band	Wife	Male	Female
All ages	647,050	100.0	86.8	1.7	9.1	1.1	1.3	46,200	100.0	86.7	1.8	7.2	2.2	2.1
Under 15	11,713	100.0	—	—	1	45.6	54.3	1,624	100.0	—	—	.7	51.9	47.4
15-19	3,728	100.0	—	—	23.5	28.9	39.9	600	100.0	14.8	.2	20.6	31.6	32.8
20-24	18,222	100.0	74.2	.7	22.9	1.2	1.0	1,751	100.0	81.5	.5	14.7	.9	2.4
25-29	66,458	100.0	86.5	.8	12.4	—	.2	5,028	100.0	89.8	.9	9.0	.2	.1
30-34	109,789	100.0	88.8	1.1	10.1	(³)	(³)	7,272	100.0	91.9	.8	7.3	(³)	(³)
35-39	144,953	100.0	89.7	1.4	8.9	(³)	(³)	8,688	100.0	91.9	1.1	7.0	(³)	(³)
40-44	130,362	100.0	90.9	1.7	7.4	(³)	(³)	7,967	100.0	90.7	2.1	7.2	(³)	(³)
45-49	88,212	100.0	89.7	2.4	7.9	(³)	(³)	5,861	100.0	90.8	2.5	6.7	(³)	(³)
50-54	45,885	100.0	88.8	3.4	7.8	(³)	(³)	3,957	100.0	89.5	4.0	6.5	(³)	(³)
55-59	18,346	100.0	89.7	3.9	6.4	(³)	(³)	2,061	100.0	90.7	4.9	4.4	(³)	(³)
60-64	6,445	100.0	90.6	5.4	4.0	(³)	(³)	1,087	100.0	94.9	3.1	2.0	(³)	(³)
65 and over	2,936	100.0	88.2	7.5	4.3	(³)	(³)	374	100.0	88.5	8.3	3.2	(³)	(³)

¹ Excludes 361 children from families with unknown age of head.

² Excludes 135 children from families with unknown age of head.

³ Less than 0.05 percent.

of these families have children, and there are more children per family in this type of family.

(2) Somewhat more than one-tenth of the Nation's children are in one-spouse families or in families where neither parent is present; the majority of these children are in one-spouse families with the wife only.

(3) A larger proportion of rural than of urban families have children, and in rural families there are a greater number of children per family in each family type.

(4) In rural families there are higher proportions of families headed by persons in the younger and older age groups and smaller proportions in the intermediate ages than is the case in urban families.

(5) In families with children, only six-tenths of 1 percent in the urban sample and 1.6 percent in the rural sample are headed by persons aged 65 and over.

(6) The concentration of one-child families is greatest in families headed by persons in the younger and older ages.

(7) Families headed by persons in the intermediate age groups have the largest proportion of children.

(8) The great majority of children in the families headed by persons under the age of 20 are in nonparent families. The majority of

children in families headed by persons in the intermediate and older age groups are in husband-and-wife families.

There is a definite correlation between the age of the head of the family and the number of children in the family. Approximately 2 percent of the Nation's child population is now benefited by the Social Security Act, and this proportion is not high even for children in broken families, about 12 percent of whom are receiving aid. In this respect it is fortunate that the changes recently adopted will ultimately increase the proportion of the children in broken families who will receive benefits under the provisions of the act. The effect of these changes will be felt more by urban families, which account for less than 50 percent of the child population. The bulk of the Nation's children, i. e., the 87 percent who are in husband-and-wife families, are scarcely affected even by the liberalization of the provisions for aid to dependent children; the proportion of those who will receive benefits as dependents of old-age annuitants is also negligible. The major contribution of the recent amendments to the Social Security Act is that in the event these children lose their parents there is a greater probability now of their being benefited by the act, but the problem of general economic insecurity of the Nation's child population is still a serious one.

EMPLOYMENT SECURITY

BUREAU OF EMPLOYMENT SECURITY • DIVISION OF RESEARCH AND STATISTICS

Review of the Month

Although benefit payments for continuing unemployment increased during August, the volume of initial claims representing notices of new unemployment declined. Continued improvement in job opportunities was also reflected in the expanded placement activities of the public employment offices as well as in the decline in the local-office active files of persons seeking work. The active files in the local offices at the close of August represented the smallest number of job seekers since December 1937.

Benefit payments amounting to \$44.5 million were paid during August to unemployed workers in the country as a whole. For the 48 jurisdictions reporting comparable data for both months, the August total represented a 16.9-percent increase over the preceding month. This increase was due mainly to the larger amounts paid in California, Massachusetts, Michigan, and Pennsylvania, although 28 other States, excluding Illinois and Montana, experienced increases in benefit payments. The sharp increases reported by Illinois and Montana reflected the first full month of benefit payments, which began in July in both States. Payments in Michigan doubled during August, largely because of the continuation or beginning of payments to workers who initiated new benefit years during July. In Florida, lay-offs in the citrus-packing industry were largely responsible for the increased benefit payments. Recent changes in benefit procedures primarily accounted for the increase in Connecticut. Declines in benefit payments occurred in 16 States, the majority of which reported decreases of less than 15 percent. Because of suspension of operations late in July, data for South Dakota are not available for July and August.

While total benefit payments increased, the volume of initial claims received in local offices declined 27.5 percent. Declines in excess of 40 percent were reported by Illinois, Michigan, Montana, New Hampshire, South Carolina, Tennessee, and West Virginia; in 5 other States decreases ranged between 30 and 40 percent. Increases in 11 of the 16 States reporting larger receipts were less than 20 percent. The number

of continued claims was 3.5 percent higher, with 27 States showing increases; in only 7 States were such increases in excess of 15 percent. Illinois,

Table 1.—Contributions deposited in State clearing accounts, by States, January-August 1939 and August 1939

[Data reported by State agencies, corrected to Sept. 18, 1939]

State	Contributions deposited ¹	
	January-August ²	August
Total.....	\$ 602,749,097	\$ 112,166,431
States collecting quarterly, total....	\$ 551,070,758	\$ 105,955,474
Alabama.....	6,252,492	1,378,529
Alaska.....	290,904	87,919
Arizona.....	1,651,113	192,272
Arkansas.....	2,578,033	327,616
California.....	57,370,238	12,645,153
Colorado.....	3,812,667	677,275
Connecticut.....	12,356,470	1,412,736
Delaware.....	1,785,510	247,680
Florida.....	4,974,398	613,545
Georgia ⁴	5,770,460	533,436
Hawaii ⁴	1,254,856	65,595
Idaho.....	1,460,809	271,196
Illinois.....	51,250,333	7,889,328
Indiana ⁴	15,271,106	1,067,382
Iowa.....	6,203,630	1,598,617
Kansas.....	4,242,625	341,161
Kentucky.....	8,428,041	1,503,104
Maine.....	3,000,410	210,796
Maryland.....	9,059,435	404,971
Massachusetts.....	27,886,178	5,284,960
Michigan.....	34,044,366	953,467
Minnesota.....	10,698,913	2,607,521
Mississippi.....	1,560,417	30,212
Missouri.....	14,825,806	2,204,529
Montana.....	2,079,532	32,894
Nebraska.....	3,044,787	125,094
Nevada.....	719,042	79,854
New Hampshire ⁴	1,902,343	147,070
New Jersey ⁴	33,826,255	6,800,529
New Mexico.....	1,051,897	63,351
New York.....	82,230,143	23,677,579
Ohio.....	41,157,097	11,899,572
Oklahoma.....	3,963,792	952,663
Oregon.....	3,971,917	170,217
Pennsylvania.....	58,388,389	15,555,549
Rhode Island ⁴	5,738,767	144,598
South Carolina.....	2,725,963	40,108
South Dakota.....	1,678,075	(³)
Tennessee.....	6,621,325	1,252,374
Utah.....	2,018,233	76,201
Virginia.....	7,688,017	1,474,565
Washington.....	6,251,682	569,988
Wyoming.....	1,045,272	64,239
States collecting monthly, total.....	51,678,339	6,180,957
District of Columbia.....	4,622,077	528,548
Louisiana.....	6,570,249	741,999
North Carolina.....	7,314,065	832,645
North Dakota.....	697,363	80,916
Texas.....	15,534,426	1,943,148
Vermont.....	1,028,945	158,925
West Virginia.....	6,494,540	840,798
Wisconsin.....	9,416,774	1,053,978

¹ Includes contributions plus such penalties and interest collected from employers as are available for benefit payments.

² Adjusted for refunds of contributions and for dishonored contribution checks.

³ Figures for South Dakota cumulative through June; no later data reported because State agency suspended operations July 28, 1939.

⁴ Some contributions collected on monthly basis.

Michigan, and Montana reported the largest, as large volumes of continued claims were filed by workers who began benefit years in July. Declines in continued claims occurred in 23 States,

with 4 States showing reductions of more than 20 percent.

During August approximately 25,000 initial out-of-State claims were received by the 49 State

Table 2.—Number and amount of benefit payments by types of unemployment¹ and by States, August 1939

[Data reported by State agencies, corrected to Sept. 29, 1939]

State	Number				Amount			
	All payments		Types of unemployment ²		All payments		Types of unemployment ²	
	Number	Percentage change from July	Total	Partial ³	Amount	Percentage change from July	Total	Partial ³
Total	4,170,406	+14.2			\$44,491,421	+16.9		
Alabama	62,527	+11.2	49,373	13,098	431,809	+10.8	\$354,187	\$77,208
Alaska	1,267	-10.0	1,131	81	17,902	-10.9	16,685	808
Arizona	12,177	+7.6	11,643	534	129,364	+6.9	125,407	3,957
Arkansas	27,063	-1.6	24,463	1,404	158,434	-7.1	149,501	8,933
California	310,363	+16.5	261,946	29,485	3,272,411	+19.0	2,997,528	166,880
Colorado	25,360	-20.0	21,040	4,287	268,825	-23.0	231,861	36,747
Connecticut	56,322	+166.0	52,661	3,492	532,230	+163.8	512,005	19,608
Delaware	7,170	+8.5	6,528	636	63,409	+8.6	60,243	3,130
District of Columbia	13,105	+7.2	12,043	459	104,564	+7.3	99,231	2,719
Florida	68,538	+77.7	57,092	5,003	574,651	+104.2	499,946	33,330
Georgia	56,678	+8.4	51,849	4,829	363,348	+12.4	345,420	17,928
Hawaii	2,506	-4.6	2,342	164	29,747	-	22,847	900
Idaho	7,141	-7.4	5,434	1,707	60,975	-5.7	54,161	15,814
Illinois	264,247	(¹)	220,382	43,865	3,233,017	(¹)	2,880,618	352,399
Indiana	91,878	+12.8	70,357	21,465	912,526	+14.7	795,907	116,423
Iowa	32,344	-7.0	27,525	4,593	294,497	-8.4	266,225	28,272
Kansas	14,397	+5.1	12,122	2,275	128,491	+4	115,128	13,363
Kentucky	50,053	-13.4	48,902	400	410,053	-14.3	404,722	5,331
Louisiana	61,297	+6.1	51,990	4,870	468,899	+0.0	417,746	29,908
Maine	23,869	-14.5	19,951	3,701	158,999	-12.4	139,404	19,595
Maryland	57,300	+13.0	44,579	8,595	516,752	+13.6	405,650	60,440
Massachusetts	206,239	+41.9	205,838	(¹)	1,930,025	+34.6	1,925,887	(¹)
Michigan	536,847	+112.4	505,584	31,263	7,804,125	+103.2	7,249,327	554,798
Minnesota	740,863	+5.7	37,022	3,024	406,423	+5.9	376,348	21,134
Mississippi	17,114	+7.4	16,549	531	100,359	+3.8	98,653	1,706
Missouri	62,980	+19.3	57,614	5,366	520,584	+19.0	491,443	29,141
Montana	10,743	(¹)	10,742	(¹)	123,796	(¹)	123,795	(¹)
Nebraska	8,087	+3.7	7,688	395	69,557	+4.5	66,713	2,822
Nevada	4,748	-4	4,245	503	60,568	-9	54,875	5,693
New Hampshire	12,435	+5.9	11,227	1,193	99,299	+11.4	93,767	5,532
New Jersey	134,664	+5.1	134,353	(¹)	1,353,277	+0.0	1,350,908	(¹)
New Mexico	11,634	+22.3	10,040	1,591	119,055	+23.2	106,492	12,538
New York	565,326	-14.4	565,326	(¹)	6,552,214	-15.9	6,552,214	(¹)
North Carolina	71,888	-8.1	65,013	6,090	385,371	-7.9	359,326	22,450
North Dakota	2,895	-16.5	2,533	359	27,730	-15.2	24,759	2,965
Ohio	233,985	-6.9	190,105	35,131	2,225,480	-7.3	2,006,676	174,130
Oklahoma	26,531	+4.0	23,255	3,276	253,556	+2.8	230,741	22,815
Oregon	23,419	+1.1	19,484	3,841	254,646	+3	226,647	27,789
Pennsylvania	538,424	+26.4	501,109	(¹)	6,109,479	+26.9	5,961,426	(¹)
Rhode Island	67,792	+0.7	58,982	8,810	638,368	+6.4	598,151	40,217
South Carolina	28,001	-25.9	17,958	10,030	152,852	-22.2	112,687	40,117
South Dakota								
Tennessee	63,509	+13.0	58,483	6,810	444,477	+11.8	410,502	33,140
Texas	55,056	+8.4	48,000	6,992	864,765	+8.5	792,125	71,775
Utah	14,509	+51.5	13,986	523	163,639	+50.1	158,123	5,516
Vermont	4,264	+17.5	3,643	621	32,356	+7.2	29,364	2,992
Virginia	53,617	-1.2	46,057	4,665	411,214	+2.2	378,728	23,028
Washington	36,668	+2	31,278	5,390	415,283	+4.2	374,170	41,113
West Virginia	56,501	-17.7	54,803	1,401	465,532	-11.4	424,883	38,290
Wisconsin	30,203	+0	26,164	3,918	304,609	+6.7	283,914	20,258
Wyoming	5,862	-7.0	3,412	2,216	68,609	-9.8	46,242	20,720

¹ For definitions of types of unemployment, see the *Bulletin*, March 1939, p. 33.

² Excludes irregular payments except where otherwise noted. In many cases monthly figures for total and partial unemployment are estimated from reports for week ended Aug. 12.

³ Includes benefits for part-total unemployment, except where otherwise noted. Benefits for partial unemployment are not provided by State law in Massachusetts, Mississippi, Montana, New Jersey, New York, and Pennsylvania. Of these, only Mississippi provides for payments of less than full weekly benefit amount for total unemployment, i. e., "part-total" unemployment. In Kentucky, which pays benefits for part-total unemployment, the provision for benefits for partial unemployment is not effective until January 1940.

⁴ Represents number of compensable weeks for which 4,750 checks were issued.

⁵ Not computed, since August was first full month of benefit payments.

⁶ Includes irregular payments.

⁷ Represents number of compensable weeks for which 38,945 checks were issued.

⁸ Operations suspended during August.

⁹ Payments for part-total unemployment included with payments for total unemployment.

¹⁰ Represents number of compensable weeks for which 52,362 checks were issued.

agencies reporting these data. Such claims represented 3.5 percent of the total number of initial claims received in all local offices. As in all previous months of 1939, Alaska showed the highest proportion of out-of-State claims received as a liable State. In 11 States the range was from 10 to 30 percent of total local-office receipts. Most of these States were in the Rocky Mountain and Great Plains areas. Continued out-of-State claims exceeded 179,000, as compared with approximately 154,000 in July, and represented 3.4

Table 3.—Number of initial and continued claims¹ received in local offices, by States, August 1939

[Data reported by State agencies, corrected to Sept. 29, 1939]

State	Initial claims ¹		Continued claims ¹	
	Number	Percentage change from July	Number	Percentage change from July
Total.....	709,465	-27.5	5,340,654	+3.5
Alabama.....	12,939	-10.1	93,379	+3.4
Alaska.....	239	+419.6	777	-5.7
Arizona.....	2,790	+32.2	16,162	+14.0
Arkansas.....	4,819	-31.6	35,883	-5.4
California.....	82,498	-3.1	350,183	+4
Colorado.....	3,417	-11.9	31,000	-9.3
Connecticut.....	11,539	-33.9	71,040	+5.1
Delaware.....	1,486	+34.5	8,794	+10.5
District of Columbia.....	1,596	+2.0	17,434	+6.0
Florida.....	10,844	-37.0	120,484	+40.8
Georgia.....	10,473	-19.0	82,899	+6.4
Hawaii.....	445	+7	2,551	-3.8
Idaho.....	1,385	-6.2	8,884	-8.0
Illinois.....	70,274	-44.7	425,546	+63.3
Indiana.....	13,890	-26.9	129,947	+8.2
Iowa.....	6,278	-12.6	48,753	+2.8
Kansas.....	4,199	+10.2	24,375	+18.5
Kentucky.....	4,360	-21.2	74,661	-11.4
Louisiana.....	11,163	-4.3	77,412	+4.3
Maine.....	5,083	-29.2	31,872	-20.7
Maryland.....	8,223	+21.8	81,172	+4.2
Massachusetts.....	41,070	+1.7	213,564	-1.4
Michigan.....	77,733	-48.2	580,485	+73.2
Minnesota.....	4,561	-6.2	53,216	+3.0
Mississippi.....	4,871	+5.8	26,204	+12.4
Missouri.....	12,638	-14.5	100,924	+9.8
Montana.....	1,938	-53.3	12,973	+68.5
Nebraska.....	1,676	-8.4	10,652	-1
Nevada.....	1,032	+2.6	5,368	+1
New Hampshire.....	3,074	-46.6	19,780	-3.3
New Jersey.....	15,637	-25.2	169,891	-10.9
New Mexico.....	3,406	-9.9	17,001	+14.7
New York.....	112,218	-21.5	749,722	-19.1
North Carolina.....	12,712	-36.0	93,188	-23.1
North Dakota.....	341	+3.6	3,431	-20.4
Ohio.....	16,476	-9.6	316,487	-8.4
Oklahoma.....	7,878	+13.2	37,214	+3.7
Oregon.....	8,241	-21.4	30,264	-9.6
Pennsylvania.....	46,209	-21.2	587,803	-9.2
Rhode Island.....	12,387	+2.4	86,271	+3.7
South Carolina.....	11,720	-40.1	60,290	-13.6
South Dakota.....	6,606	-59.7	80,531	+2.4
Tennessee.....	22,078	+3.7	68,028	+1.7
Texas.....	2,534	-35.7	16,963	+19.5
Vermont.....	2,049	+66.2	7,057	+40.5
Virginia.....	6,988	-15.6	66,432	-6.8
Washington.....	4,787	-2.6	56,206	-1.8
West Virginia.....	19,014	-59.7	71,088	-21.7
Wisconsin.....	10,806	+2.5	60,243	-7.8
Wyoming.....	875	-15.0	6,200	-13.5

¹ For definitions of types of claims, see the *Bulletin*, March 1939, pp. 32-34.

² Operations suspended during August.

³ Includes claims for total and part-total unemployment only.

percent of the total number of continued claims received in local offices.

In the week ended August 12 more than 797,000 individuals received unemployment benefits, a decline of 2.1 percent from the week ended July 15,

Table 4.—Number of initial and continued out-of-State claims¹ received as liable State,² by States, August 1939

[Data reported by State agencies, corrected to Sept. 29, 1939]

State	Out-of-State claims received as liable State			
	Initial		Continued	
	Number	Percent of initial claims received in local offices	Number	Percent of continued claims received in local offices
Total.....	25,092	3.5	179,240	3.4
Alabama.....	511	3.9	3,438	3.7
Alaska.....	139	58.2	1,032	132.8
Arizona.....	634	22.7	3,581	22.2
Arkansas.....	361	7.5	2,420	6.7
California.....	1,588	3.0	14,668	4.2
Colorado.....	340	10.0	2,807	8.1
Connecticut.....	495	4.3	3,642	5.1
Delaware.....	66	4.4	634	7.2
District of Columbia.....	963	8.9	8,456	7.0
Florida.....	491	4.7	1,977	2.4
Georgia.....	18	4.0	176	6.9
Hawaii.....	259	18.7	1,127	12.7
Idaho.....	2,272	3.2	6,059	2.1
Illinois.....	546	3.9	2,687	1.4
Indiana.....	250	4.0	1,558	3.2
Iowa.....	574	13.7	1,839	7.5
Kansas.....	247	5.7	4,603	6.2
Kentucky.....	437	3.9	3,542	4.6
Louisiana.....	135	2.7	776	2.4
Maryland.....	430	5.2	2,176	3.9
Massachusetts.....	693	1.7	7,368	3.5
Michigan.....	1,516	2.0	15,220	2.6
Minnesota.....	315	6.9	2,033	3.8
Mississippi.....	297	6.1	1,431	5.5
Missouri.....	955	7.6	4,361	4.3
Montana.....	184	9.5	1,126	8.7
Nebraska.....	247	14.7	1,306	12.3
Nevada.....	256	24.8	1,618	30.1
New Hampshire.....	314	10.2	1,562	7.9
New Jersey.....	676	4.3	5,514	3.2
New Mexico.....	373	11.0	3,135	18.4
New York.....	1,442	1.3	14,508	1.9
North Carolina.....	470	3.7	2,843	3.1
North Dakota.....	69	20.2	322	9.4
Ohio.....	724	4.4	7,828	2.4
Oklahoma.....	816	10.4	4,056	10.9
Oregon.....	238	2.9	2,212	7.3
Pennsylvania.....	875	1.9	10,018	1.7
Rhode Island.....	209	1.7	1,871	2.2
South Carolina.....	262	2.2	1,414	2.3
South Dakota.....	512	7.8	3,538	4.4
Tennessee.....	1,118	5.1	8,772	12.9
Texas.....	174	6.9	1,242	7.3
Vermont.....	65	3.2	254	3.6
Virginia.....	503	7.2	2,716	4.1
Washington.....	271	5.7	2,633	4.7
West Virginia.....	324	1.7	871	1.2
Wisconsin.....	180	1.7	653	1.1
Wyoming.....	258	29.5	1,217	19.6

¹ For definitions of types of claims, see the *Bulletin*, March 1939, pp. 32-34.

² The liable State is one to which a claim is forwarded by agent State for disposition.

³ Accepts no out-of-State claims as liable State.

⁴ Operations suspended during August.

⁵ Represents percent of initial claims received for total and part-total unemployment only.

1939. The decreases ranged from less than 2 to more than 40 percent in the 32 States showing declines. Larger numbers of individuals received benefits in 16 States, exclusive of Illinois and Montana. The number more than tripled in Utah. For the 49 States reporting such data, approximately 455,000 new claims were authorized for payment during August, representing an increase of 27 percent. Increases were reported in 27 States, in 13 of which the increase amounted to more than 25 percent.

About 266,500 claimants exhausted wage credits during August; this number was 11.7 percent larger than in the previous month. Exhaustions in West Virginia were 8,506, as compared with only 311 for July. In both the District of Columbia and Missouri the number more than doubled. In Virginia and West Virginia exhaustions more than doubled authorizations, and in six additional States exhaustions exceeded authorizations.

Contributions deposited by the State agencies in their clearing accounts in August totaled

Table 5.—State unemployment compensation funds available for benefits, cumulative collections and interest, and benefits charged, by States, as of Aug. 31, 1939

[Data reported by State agencies,¹ corrected to Sept. 19, 1939]

[Amounts in thousands]

State	Month and year benefits first payable	Total funds available for benefits as of Aug. 31, 1939			Cumulative collections and interest credited as of Aug. 31, 1939		Collections January-August 1939 *	Benefits charged				Ratio (percent) of—		
		Amount †	Per-centage change from July 31, 1939	Index ‡	Total col-lections and in-terest §	Collec-tions ¶		Cumula-tive through August 1939 *	January-August 1939 *	August 1939		1939 benefits to 1939 collections †	Benef-its to col-lections since benefits first payable	Total benefits to cumu-lative col-lections and in-terest
										Amount	Per-centage change from July			
Total		\$1,418,612	† +5.0	147.5	\$2,124,154	\$2,079,320	\$602,746	\$705,198	\$309,268	\$44,795	‡ +18.0	54.6	67.1	33.2
States collect-ing quarter-ly, total		1,271,983	† +5.5	149.2	1,906,585	1,867,180	\$551,068	\$634,258	\$286,009	\$42,193	‡ +20.1	55.5	68.7	33.3
Alabama 11	Jan. 1938	10,697	+9.7	121.0	21,887	21,491	6,252	11,190	3,062	432	+10.8	49.0	87.7	51.1
Alaska	Jan. 1939	932	+8.1	105.3	1,195	1,173	300	263	263	18	-10.0	87.7	87.7	22.0
Arizona	Jan. 1938	2,526	+2.6	125.4	5,516	5,425	1,651	2,960	1,088	129	+6.6	65.9	87.1	54.2
Arkansas	Jan. 1939	6,628	+5.9	124.8	7,967	7,792	2,578	1,329	1,329	158	-7.6	51.6	51.6	16.7
California 11	Jan. 1938	140,174	+7.1	208.7	190,164	185,864	57,370	49,990	26,275	3,272	+19.0	45.8	41.8	26.3
Colorado	Jan. 1939	10,138	+4.2	113.3	12,874	12,538	3,813	2,736	2,736	268	-13.3	71.8	71.8	21.3
Connecticut	Jan. 1938	24,729	(10)	(10)	41,115	40,353	12,356	16,042	3,788	532	+163.4	30.7	63.6	39.0
Delaware	Jan. 1939	5,234	+3.7	133.7	5,753	5,637	1,786	519	519	63	+8.6	29.1	29.1	9.0
Florida	do	13,354	+3	135.3	14,985	14,683	4,974	1,631	1,631	575	+104.6	32.8	32.8	10.9
Georgia 11	do	19,280	+9	124.4	21,471	21,022	5,770	2,185	2,185	363	+12.4	37.9	37.9	10.2
Hawaii	do	4,407	+1.0	135.6	4,549	4,455	1,255	142	142	24	-3	11.3	11.3	3.1
Idaho	Sept. 1938	2,759	+7.9	91.8	5,070	4,962	1,461	2,311	1,945	70	-4.1	133.1	115.8	45.6
Illinois	July 1939	167,297	+2.9	108.5	170,901	167,460	51,250	3,604	3,604	3,233	(14)	21.5	21.5	2.1
Indiana	Apr. 1938	30,337	+5	112.0	54,741	53,451	15,271	24,404	8,096	913	+14.7	53.0	90.8	44.6
Iowa	July 1938	13,481	+10.7	135.3	20,371	19,937	6,204	6,890	4,304	294	-8.4	69.4	67.9	33.8
Kansas	Jan. 1939	12,753	+1.7	125.6	14,559	14,236	4,243	1,776	1,776	128	-4.4	41.9	41.9	12.2
Kentucky 11	do	29,729	+4.8	125.3	27,620	26,939	8,428	3,891	3,891	410	-14.4	46.2	46.2	14.1
Maine	Jan. 1938	3,201	+1.7	85.2	10,020	9,880	3,000	6,819	2,284	157	-11.3	76.1	110.6	68.1
Maryland	do	14,140	-8	156.1	28,000	28,175	9,059	14,460	4,316	517	+13.6	47.6	75.3	50.6
Massachusetts	do	66,833	+5.3	100.0	107,419	105,076	27,886	40,586	13,487	1,930	+34.6	48.4	63.6	37.8
Michigan	July 1938	44,092	-13.4	69.7	112,166	110,077	34,044	68,074	28,171	7,778	+102.6	82.7	142.4	60.7
Minnesota	Jan. 1938	21,007	+12.2	176.2	35,190	34,567	10,690	14,183	6,022	406	+5.7	56.3	62.3	40.8
Mississippi	Apr. 1938	3,868	-1.8	132.6	6,361	6,222	1,560	2,493	1,079	100	+3.1	69.2	74.3	39.2
Missouri	Jan. 1939	45,715	+3.8	134.3	49,338	48,351	14,826	3,623	3,623	521	+19.2	24.4	24.4	7.3
Montana	July 1939	6,779	-1.3	106.9	6,919	6,771	2,080	140	140	124	(14)	20.1	20.1	2.0
Nebraska	Jan. 1939	9,222	+6	130.2	10,220	10,015	3,045	998	998	70	+4.5	32.8	32.8	9.8
Nevada	do	1,722	+1.1	112.7	2,266	2,220	719	544	544	62	+1.6	75.7	75.7	24.0
New Hampshire	Jan. 1938	5,245	+9	123.5	9,037	8,838	1,902	3,792	1,060	99	+11.2	55.7	81.6	42.0
New Jersey 11	Jan. 1939	89,096	+6.4	134.9	101,414	99,032	33,826	11,418	11,418	1,353	+8.9	33.8	33.8	11.3
New Mexico	Dec. 1938	2,727	-2.0	110.9	3,594	3,504	1,082	867	858	119	+16.7	79.3	79.3	24.1
New York	Jan. 1938	163,104	+11.4	165.8	310,317	304,228	82,230	147,213	59,883	6,955	-10.3	72.8	71.0	47.4
Ohio	Jan. 1939	123,256	+8.5	125.9	140,363	136,731	41,157	17,107	17,107	2,225	-7.3	41.6	41.6	12.2
Oklahoma	Dec. 1938	14,075	+5.2	111.3	17,395	16,918	3,964	3,320	3,249	254	+2.8	82.0	73.4	19.1
Oregon 11	Jan. 1938	6,808	-1.0	117.8	16,040	15,747	3,972	9,142	3,225	238	-6.3	81.2	91.5	57.0
Pennsylvania	do	87,099	+12.2	123.5	201,450	197,983	58,388	114,351	42,806	6,109	+26.9	73.3	89.1	56.8
Rhode Island 11	do	8,736	-5.3	110.0	22,082	21,732	5,739	13,346	4,053	638	+6.7	70.6	96.0	60.4
South Carolina 11	July 1938	9,155	-1.2	146.1	11,286	10,978	2,726	2,131	1,536	153	-21.9	56.3	44.1	18.9
South Dakota	Jan. 1939	\$2,292	(7)	115.9	\$2,582	\$2,507	\$578	\$290	\$290	(7)	-	\$50.2	\$50.2	\$11.2
Tennessee	Jan. 1938	12,175	+7.1	156.6	21,462	21,077	6,621	9,287	3,143	444	+11.8	47.5	69.4	43.3
Utah	do	3,010	-2.8	117.6	6,750	6,639	2,018	3,740	1,278	164	+50.5	63.3	91.0	55.4
Virginia	do	15,641	+7.3	186.9	24,733	24,254	7,688	9,092	3,456	411	+2.2	45.0	56.9	36.8
Washington	Jan. 1939	20,932	+7	110.8	25,737	24,816	6,252	4,445	4,445	415	+4.3	71.1	71.1	17.5
Wyoming	do	2,572	-2	107.1	3,478	3,404	1,046	904	904	69	-9.2	86.5	86.5	26.0

See footnotes at end of table.

\$112.2 million, or 28 percent more than the July deposit of \$87.4 million. This increase was attributable principally to larger deposits by California, New York, Ohio, and Pennsylvania. Contributions received were approximately 2½ times the amount of benefits charged during the month.

Total funds available for benefits at the close of August amounted to more than \$1.4 billion, representing a gain of 5 percent over July. The largest relative increases occurred in Iowa, Minnesota, New York, and Pennsylvania, in which the bulk of the contributions due on second quarter pay rolls was deposited during the month. Available funds declined 2 percent or more in Michigan, New Mexico, Rhode Island, and Utah; Michigan reported a decline of more than 13 percent. As of the close of August, Michigan had drawn more heavily on reserves than any other State; funds available for benefits represented about 70 percent of the amount available at the time the payment

of benefits was initiated. On the other hand, funds in California and Texas have more than doubled, and the amount available for benefits in the District of Columbia was nearly 2½ times as large as that originally on hand.

With Illinois and Montana paying benefits for the first time for a full month, benefits charged during August totaled \$44.8 million. This was the highest amount recorded since March 1939, and was exceeded by only 1 other month—August 1938. For all States paying benefits throughout both months, the amount charged in August represented an increase of 18.0 percent over July. Michigan, New York, and Pennsylvania accounted for nearly half of the benefits charged during the month. During August benefits charged more than doubled in Connecticut, Florida, and Michigan. Increases of more than 25 percent were reported for three other States, while only in South Carolina was there a decrease of more than 20 percent.

Table 5.—State unemployment compensation funds available for benefits, cumulative collections and interest, and benefits charged, by States, as of Aug. 31, 1939—Continued

[Data reported by State agencies,¹ corrected to Sept. 19, 1939]

[Amounts in thousands]

State	Month and year benefits first payable	Total funds available for benefits as of Aug. 31, 1939			Cumulative collections and interest credited as of Aug. 31, 1939		Collections January-August 1939 ⁸	Benefits charged				Ratio (percent) of—		
		Amount ¹	Percentage change from July 31, 1939	Index ³	Total collections and interest ⁴	Collections ⁵		Cumulative through August 1939 ⁶	January-August 1939	August 1939		1939 benefits to 1939 collections ⁷	Benefits to collections since benefits first payable	Total benefits to cumulative collections and interest
										Amount	Percentage change from July			
States collecting monthly, total		\$146,629	⁹ +2.5	161.8	\$217,569	\$212,170	\$51,678	\$70,940	\$23,259	\$2,602	-1.1	45.0	55.0	32.6
District of Columbia	Jan. 1938	14,499	+3.0	246.0	17,223	16,775	4,622	2,724	1,052	105	+8.2	22.8	24.8	15.8
Louisiana ¹¹	do	15,097	+1.8	197.3	23,540	23,046	6,570	5,443	4,436	469	+5.9	67.5	54.5	35.9
North Carolina	do	15,138	+3.0	160.8	26,876	26,384	7,314	11,738	3,522	385	-8.1	48.2	68.7	43.7
North Dakota	Jan. 1939	2,182	+2.5	115.0	2,618	2,563	697	436	436	28	-15.2	62.6	62.6	16.7
Texas	Jan. 1938	41,241	+2.8	208.4	84,093	56,770	15,534	16,852	7,505	817	+1.9	45.3	45.2	29.0
Vermont	do	2,671	+5.0	189.2	3,918	3,839	1,029	1,247	423	32	+0.7	41.3	51.0	31.8
West Virginia	do	10,478	+3.7	102.7	25,870	25,515	6,495	15,392	3,326	466	-11.4	51.2	99.8	59.8
Wisconsin	July 1936	45,323	+1.7	149.7	59,431	57,278	9,417	¹² 14,108	2,554	300	+6.4	27.1	¹⁰ 46.6	23.7

¹ Except interest earned on funds in State accounts in unemployment trust fund which is credited and reported by the U. S. Treasury in last month of each quarter.

² Represents sum of balances at end of month in State clearing account, benefit-payment account, and unemployment trust fund account maintained in the U. S. Treasury.

³ For all States except Wisconsin, index is based on funds available for benefits as of end of month prior to that in which benefits were first payable; Wisconsin index is based on funds available as of Dec. 31, 1937.

⁴ Includes refund of \$40,561,886 by Federal Government to 13 States, Alaska, and Hawaii, collected on pay rolls for year 1936 under title IX.

⁵ Includes contributions plus penalties and interest collected from employers since contributions were first payable. Figures are adjusted for refunds of contributions and for dishonored contribution checks. Employer contributions of 2.7 percent are collected in all States except the District of Columbia and Michigan, where rate is 3 percent. In New York, rate is 3 percent for employers covered by State law but not covered by title IX; those employers covered by title IX pay 2.7 percent.

⁶ Adjusted for voided benefit checks.

⁷ Figures for Illinois and Montana represent ratio of benefits to collections since benefits first became payable in July 1939.

⁸ Figures for South Dakota cumulative through June; no later data reported, because State agency suspended operations July 28, 1939.

⁹ Excludes those States changing from monthly to quarterly collection basis as of pay-roll month of July 1939. Also excludes Connecticut (see footnote 12).

¹⁰ Computed on basis of 48 States paying benefits in June, July, and August.

¹¹ Employee contributions of 1 percent are collected in Alabama, California, Kentucky, and New Jersey; of 0.5 percent in Louisiana; and of 1.5 percent in Rhode Island.

¹² Data not comparable with those for other States or for previous months, because \$343,629 was certified during July and August by the Social Security Board to the Secretary of the Treasury on behalf of the State of Connecticut for payment into the railroad unemployment insurance account. See p. 95, table 9, footnote 7.

¹³ Changed to a quarterly collection basis as of pay-roll month of July 1939.

¹⁴ Not computed, since August was first full month of benefit payments.

¹⁵ Includes \$2,147,000 in benefits charged prior to January 1938.

¹⁶ Computed on basis of collections and benefits charged since Jan. 1, 1938.

During the first 8 months of 1939 the amount charged against State accounts totaled \$309.3 million, representing 55 cents of each dollar of

Table 6.—Number of individuals receiving benefits during week ended Aug. 12, and number of new claims authorized and of claimants exhausting wage credits during August 1939, by States

[Data reported by State agencies, corrected to Sept. 29, 1939]

State	Individuals receiving benefits during week ended Aug. 12, 1939		New claims authorized during August ¹	Claimants exhausting wage credits during August
	Number	Percentage change from week ended July 15		
Total	797,345	-2.1	454,975	296,506
Alabama	12,773	+1.0	6,463	4,051
Alaska	251	-23.7	99	96
Arizona	2,452	-6.5	1,512	1,058
Arkansas	5,696	-4.7	3,247	1,165
California	59,868	-3.6	28,802	17,629
Colorado	5,996	-30.0	1,464	1,645
Connecticut	10,282	+35.8	11,468	1,897
Delaware	1,145	-28.0	731	549
District of Columbia	2,808	-17.1	1,252	1,575
Florida	12,822	+49.8	10,724	4,540
Georgia	11,865	+3.7	7,299	3,918
Hawaii	511	-17.0	263	120
Idaho	1,132	-8.3	349	429
Illinois	47,038	(²)	60,430	753
Indiana	22,109	+1.9	13,203	3,960
Iowa	6,620	-18.3	3,035	2,535
Kansas	3,141	-5.4	1,981	1,100
Kentucky	10,597	-17.7	4,489	3,386
Louisiana	13,089	-1.7	5,195	4,364
Maine	4,802	-34.3	2,121	862
Maryland	11,340	+5.1	4,937	2,750
Massachusetts	30,963	+6.3	21,095	29,662
Michigan	90,059	+42.8	97,512	7,214
Minnesota	8,135	-19.0	2,982	1,988
Mississippi	3,453	-18.3	1,890	1,117
Missouri	12,686	+23.0	6,832	6,471
Montana	2,087	(²)	1,882	0
Nebraska	1,659	+4.3	671	604
Nevada	978	-10.1	361	252
New Hampshire	2,657	-16.9	1,463	706
New Jersey	24,812	-11.0	16,137	9,070
New Mexico	2,209	-1.9	782	453
New York	113,661	-4.4	(³)	55,394
North Carolina	16,504	-20.8	5,290	1,938
North Dakota	662	-24.2	148	199
Ohio	52,078	-6.4	16,185	10,059
Oklahoma	5,230	+3.7	3,114	2,365
Oregon	2,819	-29.1	2,467	1,800
Pennsylvania	99,292	-13.6	58,688	39,911
Rhode Island	14,526	+1.2	9,045	6,078
South Carolina	4,182	-40.7	2,905	1,836
South Dakota	11,257	+19.2	5,355	2,926
Tennessee	12,017	-8.4	11,476	7,693
Texas	2,976	+213.6	1,661	259
Utah	757	+3.0	474	211
Vermont	9,898	-11.5	1,254	4,252
Virginia	6,572	-22.7	2,747	3,338
Washington	11,446	-19.5	3,788	8,506
West Virginia	6,136	+1.6	9,291	3,466
Wisconsin	1,297	-24.4	416	356
Wyoming				

¹ For definitions, see the *Bulletin*, March 1939, pp. 32-34.

² Represents number of claimants exhausting maximum benefits during month.

³ Not computed, since August was the first full month of benefit payments.

⁴ State law provides for flat duration of 16 weeks.

⁵ Data not reported.

⁶ Represents number of claimants exhausting wage credits reported by local offices.

⁷ For week ended Aug. 19.

⁸ Operations suspended during August.

⁹ For week ended Aug. 15.

contributions collected during that period. Benefits have exceeded contributions collected this year only in Idaho, which experienced relatively heavy disbursements during the first half of the year. Alaska and Wyoming were the only other States to pay as much as 87 cents of each dollar in contributions collected this year. More than \$705 million has been disbursed in payments since the initiation of benefits, with somewhat more than one-third accounted for by New York and Pennsylvania.

Continued improvement in job opportunities in August was reflected in the increase in the placement activities of the public employment offices. Over one-third of a million complete placements were made during the month. Part of this increase is attributable to the greater number of working days during August. Placements in private industry reached a new all-time high, totaling approximately 254,000. Public placements also increased during August. Coincident with this increase in placements, active files on the number of persons seeking work through public employment offices declined 4.6 percent to 5.8 million, the lowest level recorded since December 1937.

The 254,000 placements with private employers represented an increase of 20 percent over July of this year and 34 percent over August 1938. More than half of the placements made in private industry were of regular duration. Gains over July were general throughout the country with reductions in only 10 States and Alaska. The most marked increase in private placements occurred in the South Atlantic area, particularly in Virginia and North Carolina, where such placements more than doubled. The Pacific Coast region also showed an appreciable gain in placements.

Nearly 1.3 million applications for work were received by the public employment offices, an increase of 14 percent over July. This increase reflected chiefly the appreciably larger volume of applications received in the major industrial States of the East, Midwest, and Pacific Coast areas. Nearly 558,000 new applications were filed during the month, New York reporting almost one-fifth of the total. The increase in that State reflects applications from relief recipients who had previously not registered with the public employment offices. Despite this increase

in applications, the active file of job seekers declined as a result of the marked increase in placements and cancelations made during the month. There were about 3 men to each woman

registered as seeking work. The largest reductions in job seekers occurred in the Middle Atlantic and New England areas, where decreases of approximately 8 percent were reported.

Table 7.—Activities of public employment services in the United States, by States, August 1939

State	Placements ¹					New applications		Active file ² as of Aug. 31, 1939	
	Total	Private			Public	Number	Percentage change from July		
		Number	Percentage change from July	Regular (over 1 month)	Temporary (1 month or less)				Number
Total ²	336,226	253,689	+20	134,668	119,021	82,537	557,887	+13	5,788,890
Alabama.....	4,256	3,081	+13	2,086	995	1,175	8,280	+3	128,662
Alaska.....	292	188	-10	59	129	104	262	-18	1,645
Arizona.....	2,122	1,635	+13	958	677	487	2,247	+20	22,636
Arkansas.....	3,563	2,335	-40	943	1,392	1,228	4,415	-7	75,153
California.....	27,206	23,546	+18	12,713	10,833	3,660	43,385	+9	386,887
Colorado.....	6,554	5,502	+8	1,873	3,629	1,052	5,129	-1	64,174
Connecticut.....	4,582	3,427	+19	2,272	1,155	1,155	5,206	-9	75,215
Delaware.....	1,800	1,233	+8	574	659	567	1,318	+6	13,299
District of Columbia.....	3,495	3,048	+29	1,435	1,613	447	3,795	-11	35,993
Florida.....	2,719	1,441	+35	932	509	1,278	10,146	-7	65,292
Georgia.....	9,122	5,800	+23	2,865	2,935	3,322	15,355	+14	180,077
Hawaii.....	688	340	+36	165	175	348	937	+31	8,295
Idaho.....	3,211	1,904	-7	765	1,139	1,307	2,016	-4	12,676
Illinois.....	11,362	11,142	+22	5,768	5,374	220	38,043	+58	221,118
Indiana.....	7,508	7,005	+25	4,544	2,461	503	14,170	-8	187,371
Iowa.....	7,754	4,810	-11	1,918	2,892	2,944	5,900	+6	86,342
Kansas.....	2,654	2,176	-4	1,060	1,116	478	5,179	+21	39,679
Kentucky.....	2,896	1,411	+14	679	732	1,485	13,803	+59	63,604
Louisiana.....	4,575	3,759	+22	2,814	945	816	7,319	+1	112,067
Maine.....	3,055	1,754	-3	1,314	440	1,301	2,022	-11	31,277
Maryland.....	3,896	2,892	+6	1,705	1,187	1,004	6,792	-8	69,360
Massachusetts.....	3,806	2,175	+9	1,634	541	1,631	14,179	-1	254,273
Michigan.....	13,465	10,659	+9	6,267	4,392	2,866	18,393	+9	238,473
Minnesota.....	7,711	8,210	-4	2,523	2,687	2,501	6,305	-4	169,656
Mississippi.....	6,506	2,337	+5	1,657	680	4,169	12,186	-4	74,568
Missouri.....	6,278	5,002	+17	2,900	2,102	1,276	19,005	+31	123,327
Montana.....	2,343	1,003	+7	562	441	1,340	1,526	-12	28,055
Nebraska.....	4,068	1,358	-2	673	685	2,710	3,489	+34	62,727
Nevada.....	1,162	936	+4	499	437	226	1,036	+6	5,215
New Hampshire.....	2,470	1,626	+9	1,213	413	844	1,578	-2	26,108
New Jersey.....	10,810	10,383	+21	6,481	3,902	427	18,918	-20	367,900
New Mexico.....	1,634	1,162	+45	437	725	472	1,423	(³)	32,813
New York.....	20,856	17,056	+7	9,550	7,506	3,800	102,445	+55	506,630
North Carolina.....	13,503	9,528	+142	7,138	2,390	3,975	10,078	+21	107,405
North Dakota.....	8,967	8,493	+88	1,797	6,696	474	5,424	+82	28,670
Ohio.....	13,190	11,541	+17	6,804	4,737	1,649	25,527	-3	283,928
Oklahoma.....	4,280	2,916	-9	922	1,994	1,364	9,396	+20	55,988
Oregon.....	12,549	7,876	+90	4,284	3,592	4,673	4,806	(⁴)	32,793
Pennsylvania.....	10,631	7,269	+21	4,959	2,310	3,362	29,763	-10	610,031
Rhode Island.....	1,277	904	+29	656	248	373	3,582	-20	39,940
South Carolina.....	3,596	1,738	+88	1,268	470	1,858	4,663	-1	103,049
South Dakota ⁵									
Tennessee.....	4,657	3,294	+17	2,085	1,209	1,363	7,403	+12	132,644
Texas.....	27,918	22,008	+7	7,725	14,283	5,910	27,577	+7	274,505
Utah.....	2,137	1,756	-2	635	1,121	381	2,439	+62	22,817
Vermont.....	1,343	772	-3	486	286	571	1,123	(⁵)	15,919
Virginia.....	9,718	6,793	+116	5,719	1,074	2,925	7,804	-4	45,507
Washington.....	14,415	12,582	+42	3,193	9,389	1,833	7,224	+14	93,895
West Virginia.....	3,553	2,183	+13	1,362	821	1,370	4,375	+5	76,989
Wisconsin.....	8,761	5,862	+3	3,221	2,641	2,899	9,058	-5	170,505
Wyoming.....	1,312	838	+43	576	262	474	1,261	+34	10,378

¹ Preliminary.
² Represents applicants regarded by employment office as actively seeking work. The files are cleared periodically by removal of cards of applicants who have not recently renewed their registrations. There is some variation from office to office and State to State in frequency with which this is done. The extent to which applicants for work relief are included in the active file also varies from State to State.

³ Exclusive of South Dakota.
⁴ Decrease of less than 1 percent.
⁵ Operations suspended during August.
⁶ Increase of less than 1 percent.

Table 8.—Status of State accounts in the unemployment trust fund, fiscal year 1939-40 ¹

State	Balance as of June 30, 1939	Fiscal year 1939-40 through August		
		Contributions deposited	Withdrawals	Balance as of Aug. 31, 1939
Total.....	\$1, 273, 608, 566	\$196, 983, 512	\$ 78, 708, 169	\$1, 391, 883, 909
Alabama.....	9, 307, 069	1, 959, 310	900, 000	10, 366, 469
Alaska.....	830, 020	72, 301	50, 000	852, 321
Arizona.....	2, 086, 306	535, 000	320, 000	2, 301, 306
Arkansas.....	5, 785, 859	814, 141	250, 000	6, 350, 000
California.....	124, 084, 183	18, 965, 000	4, 850, 000	138, 199, 183
Colorado.....	9, 437, 208	1, 185, 316	590, 000	10, 032, 524
Connecticut.....	21, 564, 842	4, 055, 000	\$ 1, 037, 169	24, 582, 673
Delaware.....	4, 626, 624	555, 000	100, 000	5, 081, 624
District of Columbia.....	13, 153, 394	1, 079, 336	200, 000	14, 032, 730
Florida.....	12, 587, 024	1, 030, 000	1, 075, 000	12, 542, 024
Georgia.....	17, 506, 654	1, 400, 000	500, 000	18, 406, 654
Hawaii.....	4, 004, 524	407, 447	70, 000	4, 341, 971
Idaho.....	2, 326, 893	483, 469	100, 000	2, 710, 362
Illinois.....	153, 885, 221	18, 750, 000	5, 000, 000	166, 635, 221
Indiana.....	27, 165, 249	4, 776, 085	1, 850, 000	30, 091, 334
Iowa.....	11, 783, 903	1, 550, 000	500, 000	12, 833, 903
Kansas.....	11, 533, 660	1, 407, 974	211, 000	12, 730, 634
Kentucky.....	21, 540, 916	2, 569, 000	774, 000	23, 335, 916
Louisiana.....	13, 644, 131	1, 500, 000	1, 100, 000	14, 044, 131
Maine.....	2, 354, 090	950, 000	310, 000	2, 994, 090
Maryland.....	10, 774, 721	3, 000, 000	725, 000	13, 049, 721
Massachusetts.....	60, 442, 824	9, 200, 000	3, 500, 000	66, 142, 824
Michigan.....	43, 775, 273	11, 223, 273	12, 450, 000	42, 548, 546
Minnesota.....	17, 323, 892	3, 600, 000	600, 000	20, 323, 892
Mississippi.....	3, 256, 903	450, 000	190, 000	3, 516, 903
Missouri.....	41, 596, 791	4, 650, 000	900, 000	45, 256, 791
Montana.....	6, 049, 175	700, 000	500, 000	6, 249, 175
Nebraska.....	8, 099, 793	1, 020, 000	110, 000	9, 009, 793
Nevada.....	1, 560, 488	245, 000	150, 000	1, 655, 488
New Hampshire.....	4, 539, 884	732, 329	180, 000	5, 092, 213
New Jersey.....	80, 565, 568	11, 085, 000	2, 100, 000	89, 550, 568
New Mexico.....	2, 515, 113	325, 000	200, 000	2, 640, 113
New York.....	140, 859, 300	33, 865, 000	14, 000, 000	160, 664, 300
North Carolina.....	13, 841, 072	1, 909, 600	700, 000	14, 850, 672
North Dakota.....	1, 974, 155	155, 000	57, 000	2, 072, 155
Ohio.....	113, 312, 081	13, 600, 000	5, 000, 000	121, 912, 081
Oklahoma.....	12, 848, 582	1, 625, 000	475, 000	13, 998, 582
Oregon.....	6, 478, 010	792, 477	600, 000	6, 670, 487
Pennsylvania.....	75, 767, 326	18, 369, 000	9, 000, 000	85, 136, 326
Rhode Island.....	7, 538, 242	2, 303, 847	1, 350, 000	8, 492, 089
South Carolina.....	8, 982, 305	400, 000	400, 000	8, 982, 305
South Dakota.....	2, 235, 494	180, 000	14, 000	2, 401, 494
Tennessee.....	10, 636, 099	2, 100, 000	655, 000	12, 081, 099
Texas.....	37, 562, 327	4, 055, 000	1, 500, 000	40, 117, 327
Utah.....	2, 564, 099	700, 000	300, 000	2, 964, 099
Vermont.....	2, 285, 813	271, 258	75, 000	2, 482, 071
Virginia.....	13, 603, 562	2, 125, 000	600, 000	15, 128, 562
Washington.....	19, 046, 965	2, 375, 000	700, 000	20, 721, 965
West Virginia.....	8, 893, 849	1, 825, 000	1, 100, 000	9, 618, 849
Wisconsin.....	43, 405, 286	2, 052, 949	650, 000	44, 808, 235
Wyoming.....	2, 304, 284	335, 000	140, 000	2, 499, 284

¹ Federal contributions from employers have been collectible in all States since Jan. 1, 1936. Employee contributions on wages earned are also required by Alabama, California, Kentucky, Louisiana, New Jersey, and Rhode Island. Interest for first quarter of fiscal year will be credited at end of September. For data for fiscal years 1937-38 and 1938-39, see the *Bulletin*, August 1939, p. 79.

² Includes \$337,169 which was withdrawn by Connecticut for administrative

expenses under the unemployment compensation law in accordance with sec. 13 (e) of the Railroad Unemployment Insurance Act. See p. 95, table 9, footnote 7.

Source: Compiled from data furnished by the U. S. Treasury Department Office of the Commissioner of Accounts and Deposits.

PUBLIC ASSISTANCE

BUREAU OF RESEARCH AND STATISTICS • DIVISION OF PUBLIC ASSISTANCE RESEARCH

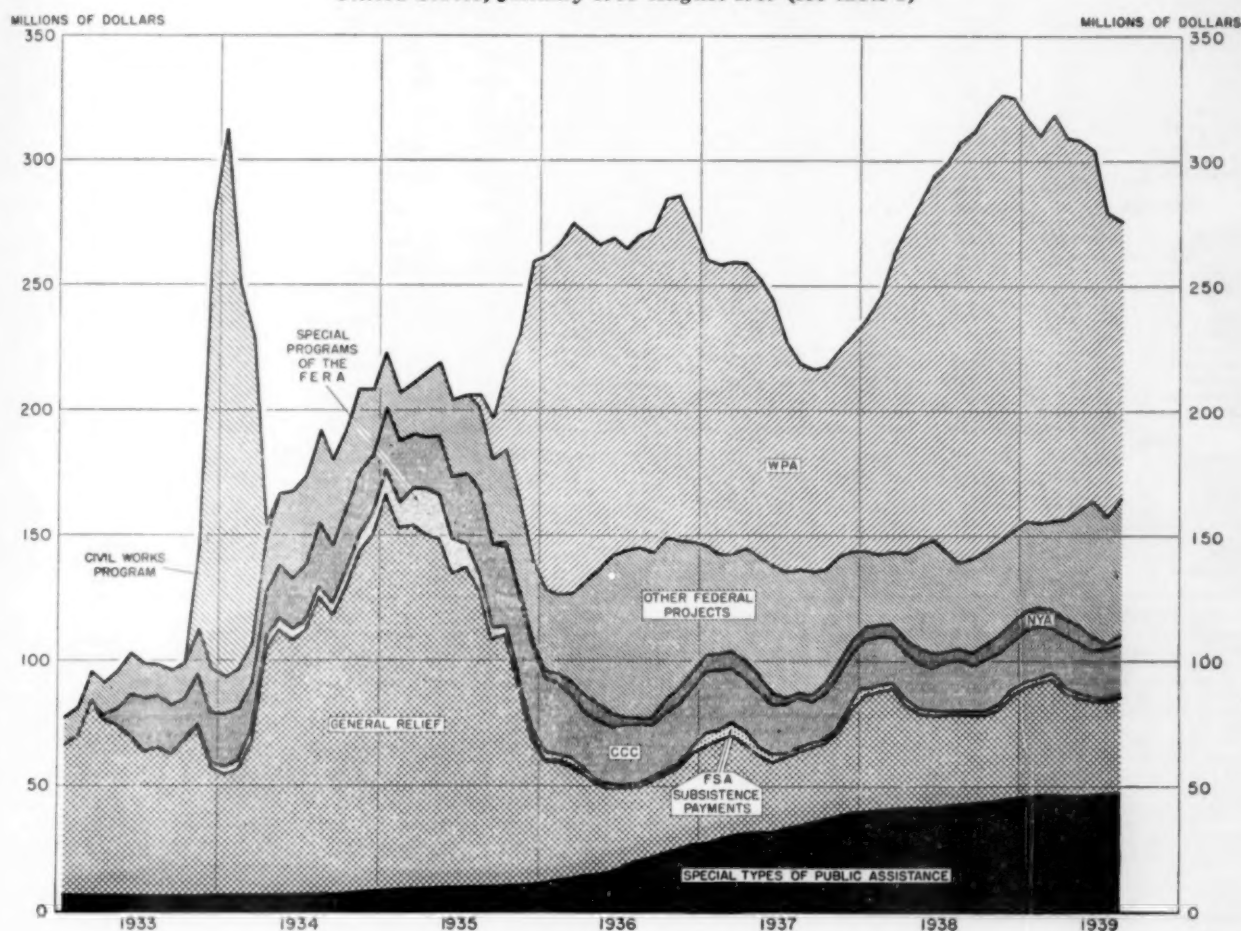
STATISTICS FOR THE UNITED STATES, AUGUST 1939

IN AUGUST a total of \$276.2 million was expended in the continental United States for all public assistance and earnings of persons employed under Federal work programs. It is estimated that 6.0 million households, including 17.6 million persons, were benefited by this expenditure. Total disbursements for assistance and earnings exclude the costs of administering all programs and of materials, equipment, and supplies incident to the operation of work projects.

Although total earnings of persons employed on projects operated by the Work Projects Administration continued to decline at a sub-

stantial rate in August, increased expenditures under other programs partially offset the reduction in the amount of such earnings. Aggregate payments under all programs were only 1.3 percent lower than in July. Total earnings on WPA-operated projects declined 9.6 percent to \$108.1 million. The average weekly number of persons employed on projects dropped to 1.9 million—the lowest level of employment since January 1938. Earnings of enrollees in the Civilian Conservation Corps totaled \$19.4 million, which was 4.0 percent less than in July. This decrease reflects a change in the estimated average amount expended per

Chart I.—Public assistance and earnings of persons employed under Federal work programs in the continental United States, January 1933–August 1939 (see table I)



enrollee for cash allowances, clothing, shelter, subsistence, medical care, and certain additional items. Whereas this amount was estimated at \$70 for previous months, in August it was estimated to be \$67. The revised estimate takes into account reduced costs for food, clothing, and shelter. The average number of enrollees was practically unchanged from July to August.

Earnings on other Federal work and construction projects moved upward 7.4 percent to \$54.2 million—the highest level of such earnings since November 1936. The average weekly number of persons employed on these projects increased approximately 1 percent. Total payments for general relief amounted to \$38.1 million, 5.4 percent more than in July. Obligations incurred

Table 1.—Amount of public assistance and earnings of persons employed under Federal work programs in the continental United States, by months, January 1937–August 1939 ¹

[In thousands]

Year and month	All public assistance and earnings of persons employed under Federal work programs	Obligations incurred for—			Subsistence payments certified by the Farm Security Administration ⁵	Earnings of persons employed under Federal work programs ⁶					
		Special types of public assistance ²	General relief ³	Relief under special programs of the Federal Emergency Relief Administration ⁴		Civilian Conservation Corps ⁷	National Youth Administration ⁸		Work Projects Administration ⁹		Other Federal work and construction projects ¹⁰
							Student aid	Work projects	Projects operated by the WPA	Projects operated by other Federal agencies	
1937 total	\$2,809,382	\$397,867	\$406,882	\$466	\$35,894	\$245,756	\$24,288	\$32,663	\$1,186,266		\$539,290
January	260,564	27,802	37,985	209	¹¹ 5,484	24,485	2,967	3,087	114,838		43,707
February	258,304	28,876	39,300	129	¹¹ 3,755	24,158	3,227	3,245	116,047		39,567
March	259,305	30,238	39,813	129	¹¹ 5,553	21,238	3,316	3,226	116,912		38,880
April	258,944	31,125	35,745		5,260	21,228	3,347	3,191	113,831		45,217
May	253,149	31,692	30,615		3,671	21,039	3,642	3,106	112,178		47,206
June	244,204	31,462	28,226		3,236	19,356	1,992	2,920	106,368		50,643
July	227,289	33,025	29,015		941	19,334	0	2,491	91,690		50,790
August	219,096	34,056	29,955		1,346	19,439	(¹²) 0	2,348	82,778		49,175
September	216,420	35,576	30,274		1,197	16,312	164	2,193	81,146		49,558
October	217,750	36,625	30,729		1,396	18,379	1,599	2,165	81,369		45,488
November	224,388	38,004	33,981		1,779	20,876	1,977	2,263	82,634		42,873
December	229,969	30,385	41,243		2,276	19,912	2,056	2,429	86,475		36,192
1938 total	3,485,806	508,979	476,201		22,600	230,166	19,598	41,558	1,722,276	\$28,559	435,869
January	237,243	40,103	46,404		2,204	19,940	1,996	2,552	93,060		30,985
February	245,665	40,573	47,207		2,473	19,309	2,166	2,688	103,092		28,158
March	263,214	41,284	47,471		2,577	18,336	2,203	2,739	119,693		28,911
April	273,955	41,478	41,113		2,336	18,311	2,255	2,766	131,419		34,278
May	283,620	41,740	37,337		2,156	18,014	2,406	3,075	137,916		40,976
June	294,349	41,825	36,747		1,756	17,174	1,550	3,585	146,068		45,644
July	298,989	42,422	35,998		1,291	19,848	0	3,701	151,416	4,293	40,020
August	307,209	42,814	36,244		1,119	20,334	6	3,903	163,378	4,621	34,790
September	311,032	43,265	35,406		1,231	18,767	211	3,930	164,910	4,749	38,564
October	320,295	43,762	34,934		1,492	20,367	1,980	4,028	171,162	4,939	37,632
November	325,583	44,367	36,475		1,703	20,514	2,408	4,193	172,257	4,971	38,695
December	324,651	45,346	40,865		2,262	19,252	2,417	4,400	167,906	4,986	37,217
1939											
January	316,325	45,971	43,679		2,391	20,642	2,266	4,347	155,843	4,763	36,423
February	310,157	46,262	45,026		2,327	20,689	2,457	4,472	150,290	4,476	34,157
March	318,373	46,422	46,438		2,492	18,103	2,446	4,451	157,707	4,888	35,425
April	309,240	46,235	41,135		2,242	19,974	2,494	4,318	146,340	6,116	40,384
May	307,917	46,178	39,096		1,687	20,432	2,494	4,286	140,645	7,333	45,766
June	304,264	47,091	36,914		1,282	18,637	1,935	3,974	133,106	7,379	53,947
July	279,738	47,489	36,131		830	20,181	0	2,570	119,533	2,492	50,512
August	276,177	47,723	38,088		1,215	19,372	4	4,151	108,063	3,328	54,233

¹ See the *Bulletin*, August 1939, p. 40, for information for 1933–36. Figures exclude cost of administration and of materials, equipment, and other items incident to operation of work programs. Figures are partly estimated and subject to revision.

² Payments to recipients from Federal, State, and local funds in States administering the 3 special types of public assistance under the Social Security Act and from State and local funds only in States not participating under the act.

³ Figures for January–March 1937 from the WPA, Division of Statistics.

⁴ Figures from the WPA, Division of Statistics; include obligations incurred for relief extended to cases under the emergency education, student aid, rural rehabilitation, and transient programs of the emergency relief administration largely financed from FERA funds.

⁵ Figures from the FSA, Rural Rehabilitation Division (formerly the Resettlement Administration); represent net amount of emergency grant vouchers certified to cases during month.

⁶ Figures include earnings of persons certified as in need of relief and earnings of all other persons employed on work and construction projects financed in whole or in part from Federal funds. Figures for the CCC include earnings of enrolled persons only.

⁷ Figures estimated by the CCC by multiplying average monthly number of persons enrolled by average of \$70 for each month except August 1939, for which average is \$67. This average amount is based on amount of obligations incurred for cash allowances and for clothing, shelter, subsistence, and medical care of persons enrolled, and for certain other items.

⁸ Figures from the WPA, Division of Statistics; represent earnings during all pay-roll periods ended during month.

⁹ Figures from the WPA, Division of Statistics; represent earnings of persons employed on projects financed from WPA funds and cover all pay-roll periods ended during month.

¹⁰ Figures from the Bureau of Labor Statistics, Division of Construction and Public Employment; represent earnings on other work and construction projects financed in whole or in part from Federal funds and cover all pay-roll periods ended during monthly period ended on 15th of specified month.

¹¹ For administrative reasons, some payments which would have been certified in December 1936 and February 1937 were not certified until January and March 1937, respectively.

¹² Less than \$1,000.

for old-age assistance, aid to dependent children, and aid to the blind totaled \$47.7 million—an increase of less than 1 percent.

Large percentage increases occurred in the volume of subsistence payments certified by the Farm Security Administration and in the amounts earned on WPA-financed projects operated by other Federal agencies and work projects of the

National Youth Administration. Subsistence payments rose 46.4 percent in August, earnings on WPA-financed projects 33.5 percent, and earnings on NYA work projects 61.5 percent. These types of payments, however, comprise extremely small shares of total public assistance and earnings.

As compared with total disbursements for assistance and earnings in August 1938, aggregate

Table 2.—Recipients of public assistance and persons employed under Federal work programs in the continental United States, by months, January 1937–August 1939 ¹

[In thousands]

Year and month	Estimated unduplicated total ²		Recipients of special types of public assistance ³				Cases receiving general relief ⁴	Cases aided under special programs of the Federal Emergency Relief Administration ⁵	Cases for which subsistence payments were certified by the Farm Security Administration ⁶	Persons employed under Federal work programs ⁷						
	Households	Persons in these households	Old-age assistance	Aid to dependent children		Aid to the blind				Civilian Conservation Corps ⁸	National Youth Administration ⁹		Work Projects Administration ¹⁰		Other Federal work and construction projects ¹¹	
				Families	Children						Student aid	Work projects	Projects operated by the WPA	Projects operated by other Federal agencies		
1937																
January	5,973	19,156	1,150	166	411	47	1,662	10	1335	350	417	185	2,127	-----	544	
February	5,958	18,875	1,200	171	421	47	1,726	6	1329	345	427	189	2,145	-----	477	
March	6,008	19,005	1,256	178	437	48	1,684	6	1323	303	440	192	2,125	-----	476	
April	5,878	18,366	1,296	183	450	49	1,550	-----	300	303	442	192	2,075	-----	512	
May	5,669	17,452	1,327	189	464	49	1,382	-----	218	301	424	185	2,018	-----	560	
June	5,388	16,669	1,290	192	473	50	1,277	-----	191	277	249	173	1,874	-----	588	
July	4,885	14,817	1,392	196	482	50	1,257	-----	54	276	0	150	1,628	-----	586	
August	4,782	14,408	1,432	203	502	51	1,271	-----	78	278	(13)	133	1,509	-----	544	
September	4,696	13,984	1,467	209	518	52	1,265	-----	67	233	36	127	1,454	-----	522	
October	4,838	14,162	1,503	215	533	54	1,270	-----	71	263	244	123	1,460	-----	460	
November	4,992	14,684	1,541	220	544	55	1,368	-----	83	296	283	127	1,501	-----	465	
December	5,338	15,966	1,577	228	565	56	1,626	-----	109	284	304	136	1,594	-----	404	
1938																
January	5,771	17,505	1,600	234	578	57	1,863	-----	108	285	310	146	1,801	-----	334	
February	6,089	18,636	1,623	241	595	59	1,966	-----	119	276	320	152	2,001	-----	316	
March	6,479	19,965	1,646	247	610	60	1,994	-----	126	262	327	155	2,319	-----	337	
April	6,578	20,355	1,662	252	622	60	1,815	-----	117	262	334	159	2,538	-----	391	
May	6,685	20,684	1,677	256	630	62	1,696	-----	112	257	329	179	2,638	-----	487	
June	6,686	20,782	1,657	258	638	62	1,648	-----	93	238	219	209	2,741	-----	541	
July	6,636	20,681	1,707	260	640	63	1,610	-----	70	284	0	215	2,912	85	460	
August	6,773	21,190	1,716	265	651	64	1,581	-----	62	290	2	219	3,037	85	338	
September	6,804	21,191	1,731	268	659	65	1,526	-----	69	268	49	221	3,120	89	357	
October	7,076	21,760	1,746	271	664	65	1,496	-----	79	291	322	220	3,192	90	377	
November	7,161	21,962	1,762	274	672	66	1,518	-----	89	293	364	230	3,239	91	377	
December	7,158	21,892	1,776	280	685	67	1,631	-----	115	275	372	240	3,066	90	369	
1939																
January	7,135	21,744	1,792	288	702	67	1,772	-----	126	295	372	237	2,928	88	352	
February	7,173	21,761	1,804	296	718	67	1,844	-----	123	296	382	242	2,905	85	342	
March	7,179	21,740	1,818	298	721	67	1,851	-----	127	259	380	236	2,917	86	350	
April	6,989	20,989	1,834	296	715	68	1,724	-----	114	285	383	228	2,676	110	392	
May	6,808	20,235	1,835	300	722	68	1,644	-----	87	292	372	225	2,507	130	439	
June	6,610	19,502	1,845	311	749	68	1,568	-----	69	266	380	213	2,436	133	488	
July	6,254	18,464	1,858	312	751	69	1,539	-----	46	288	0	207	2,235	44	491	
August	6,010	17,620	1,872	313	751	69	1,582	-----	73	289	1	211	1,908	59	495	

¹ See the *Bulletin*, August 1939, p. 42, for information for 1933–36. Figures exclude administrative employees. Figures are partly estimated and subject to revision.

² Estimated by the Work Projects Administration and the Social Security Board.

³ Includes recipients of the 3 special types of public assistance in States administering these programs under the Social Security Act and recipients of similar types of assistance in States not participating under the act.

⁴ Figures for January–March 1937 from the WPA, Division of Statistics.

⁵ Figures from the WPA, Division of Statistics; include cases receiving relief during month under emergency education, student aid, and rural rehabilitation programs of the FERA.

⁶ Figures from the FSA, Rural Rehabilitation Division (formerly the Resettlement Administration); represent net number of emergency grant vouchers certified to cases during month. Ordinarily only 1 grant voucher per case is certified per month.

⁷ Figures include persons certified as in need of relief and all other persons employed on work and construction projects financed in whole or in part from Federal funds. Figures for the CCC include enrolled persons only.

⁸ Figures are averages computed by the CCC from reports on number of persons enrolled on 10th, 20th, and last day of each month except for the Indian Division, for which averages are computed from daily reports.

⁹ Figures from the WPA, Division of Statistics; represent number of different persons employed during month.

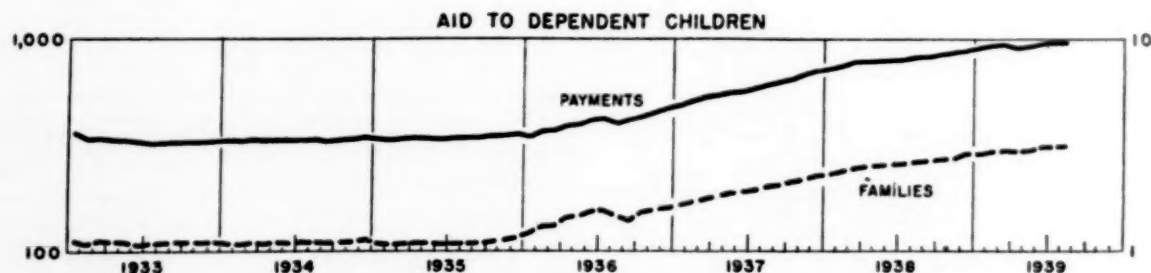
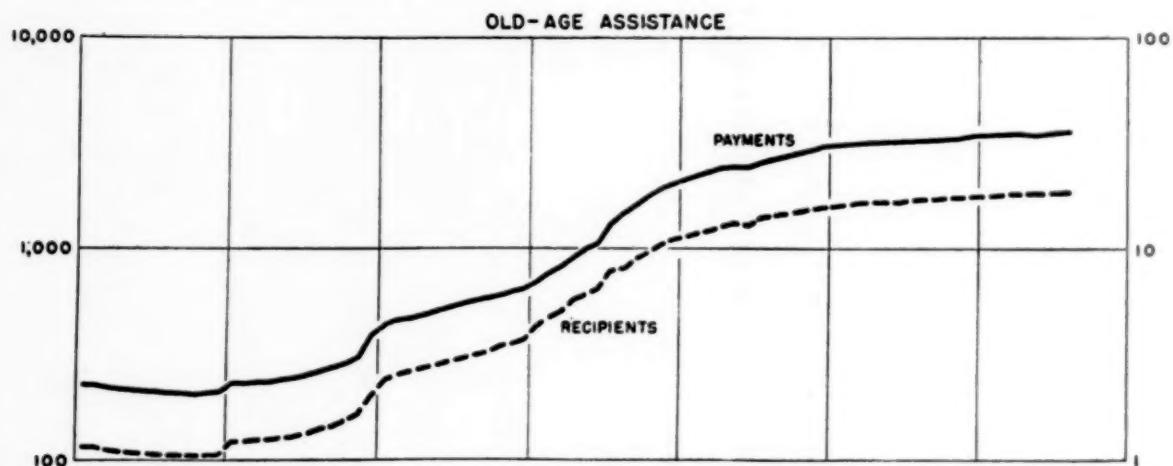
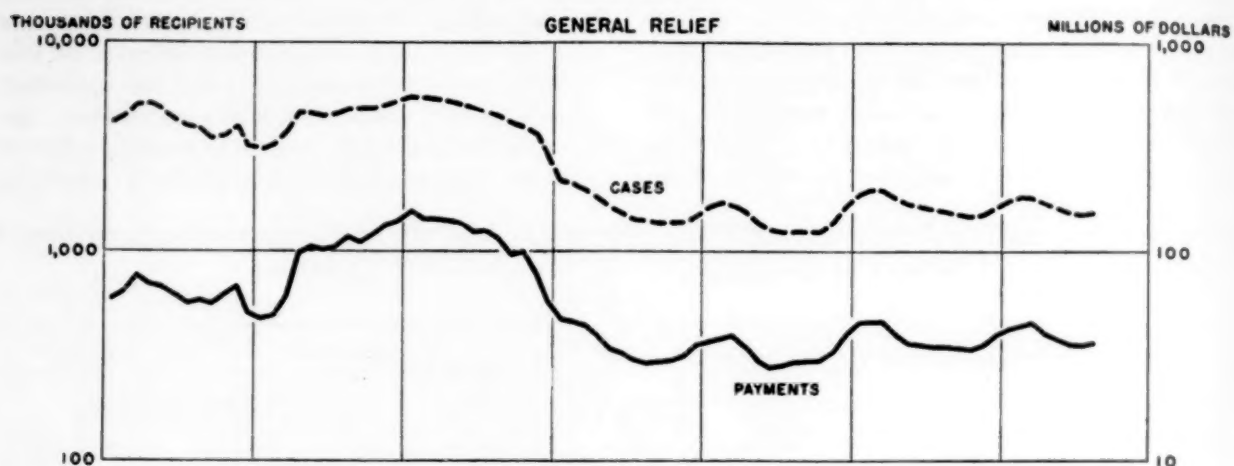
¹⁰ Figures from the WPA, Division of Statistics; represent average weekly number of persons employed during month on projects financed from WPA funds.

¹¹ Figures from the Bureau of Labor Statistics, Division of Construction and Public Employment; represent average weekly number of persons employed on other work and construction projects financed in whole or in part from Federal funds during monthly period ended on 15th of specified month.

¹² For administrative reasons, some payments which would have been certified in December 1936 and February 1937 were not certified until January and March 1937, respectively.

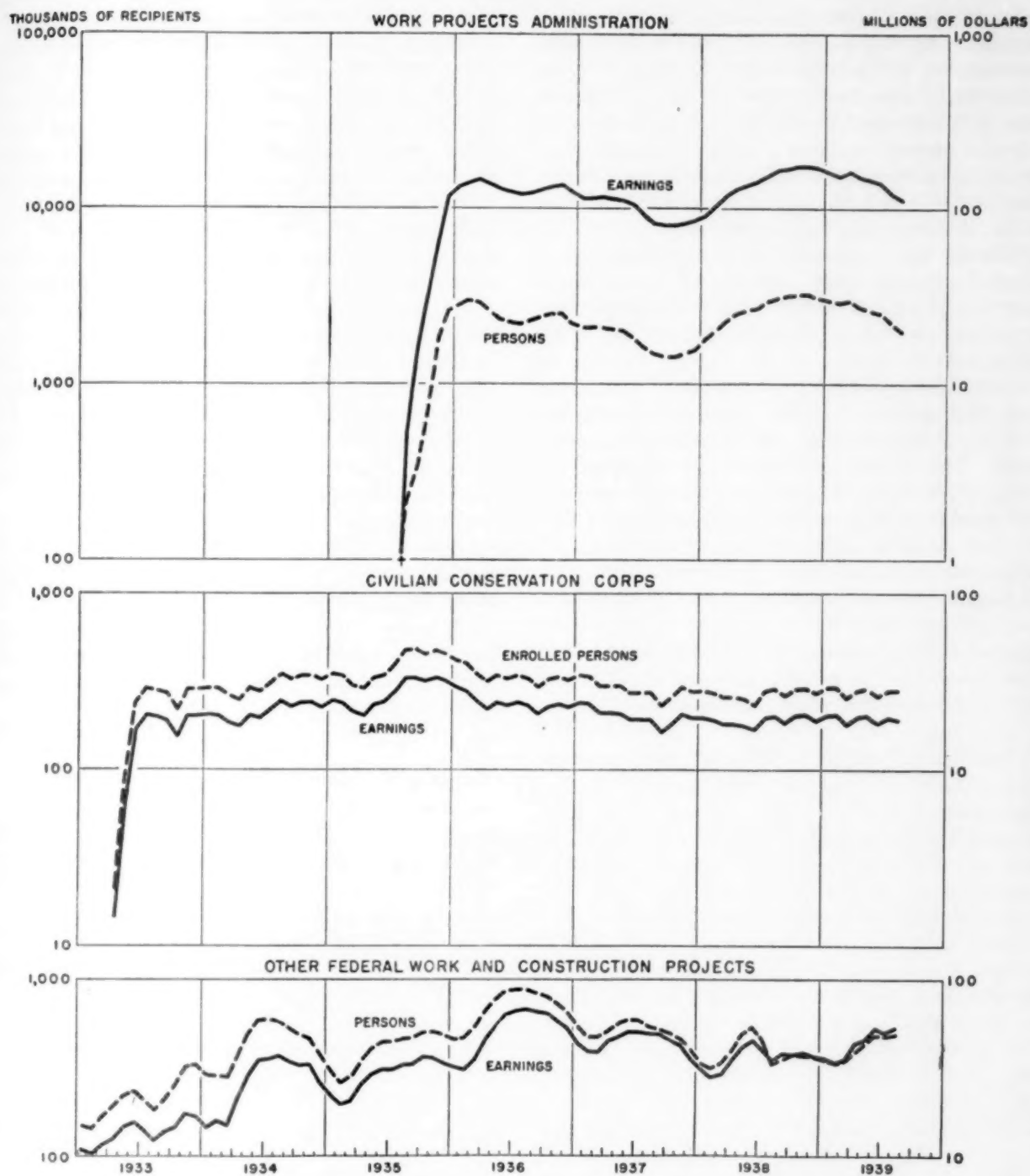
¹³ Less than 500 persons.

Chart II.—Trend in selected public-assistance programs in the continental United States, January 1933–August 1939
(ratio scale)



¹For January 1937–August 1939 see tables 1 and 2; for earlier months see the *Bulletin*, August 1939, pp. 40–44.

Chart III.—Trend in selected Federal work programs in the continental United States, January 1933–August 1939¹
(ratio scale)



¹For January 1937–August 1939 see tables 1 and 2; for earlier months see the *Bulletin*, August 1939, pp. 40–44.
[†]In July 1935 earnings were \$2,000 for less than 500 persons.

payments in August of this year had declined 10.1 percent. Most of this decrease was attributable to a drop of 33.9 percent in the amount of earnings on WPA-operated projects, although earnings on WPA-financed projects operated by other Federal agencies were 28.0 percent lower and CCC earnings had declined 4.7 percent. The amount earned on other Federal work and construction projects was 55.9 percent greater in August 1939 than in August a year ago, obligations incurred for the special types of public assistance had increased 11.5 percent, and payments for general relief 5.1 percent. Larger sums also were expended in August 1939 for subsistence payments by the FSA and earnings on work projects of the NYA.

Earnings on WPA-operated projects comprised only 39.1 percent of total payments in August 1939 as compared with 53.2 percent in August 1938. The share represented by earnings on other Federal work and construction projects increased from 11.3 percent in August of last year to 19.6 percent. The special types of public assistance accounted for 17.3 percent of the total in August 1939 as compared with 13.9 percent a year earlier, while the proportion comprised by general relief payments increased from 11.8 to 13.8 percent. The remaining types of payments represented about 10 percent of the total in August of both years.

Trends in the numbers aided and in the amount of payments for the principal types of public aid—general relief, old-age assistance, aid to dependent children, WPA earnings, CCC earnings, and earnings on other Federal work and construction projects—are shown in charts II and III. These charts cover the period January 1933–August 1939 and are drawn on a ratio scale to permit the curves for the several programs to be compared for rate of change. Similar slopes in the curves indicate similar rates of change. The curves for the work programs and general relief, which are affected much more directly by the general economic situation and seasonal factors, show greater fluctuations than those for old-age assistance and aid to dependent children.

The interplay of the different programs stands out clearly in the steep slope of the curves for the WPA and general relief programs during the latter half of 1935. At that time the WPA program was in the initial stage of operation,

and the general relief program of the Federal Emergency Relief Administration was being liquidated, preparatory to returning responsibility for this type of assistance to the States and localities. The WPA program remained fairly stable in 1936, declined sharply in 1937, expanded during most of 1938, and has steadily contracted thus far in 1939. Since 1935 the general relief program has followed a marked seasonal pattern, with the peak load generally occurring in the early months of each year. The curves for old-age assistance and aid to dependent children reflect the rapid development of these programs under the Social Security Act. Although there was substantial growth in the old-age assistance program in 1934 and 1935, the greatest expansion occurred after Federal grants became available to the States early in 1936. The curves for aid to dependent children moved upward steadily after 1935 and in 1938 and 1939 rose at a greater rate than those for old-age assistance.

The movement of total income payments in the continental United States from January 1929 through August 1939 is shown in chart IV, prepared by the Department of Commerce. This chart makes it possible to consider payments for public assistance and earnings under work programs in perspective within the structure of total income payments.

General Relief

During August 1.6 million general relief cases in the continental United States received payments amounting to \$38.1 million. Estimates for 7 States are included in these aggregate figures. The general relief case may be a family, a group of unrelated persons living together as a unit, or a single individual. Payments to cases are financed by the States and/or localities without Federal participation and include direct assistance in cash and in kind and expenditures for services, such as medical care, to recipients. The data on assistance payments exclude costs of administration, of hospitalization and burials, and of special programs operated with general relief funds.

For the group of 42 States submitting complete reports for both July and August, the total number of cases aided increased 2.9 percent, and the total amount of obligations rose 5.5 percent. August was the first month since March in which upward changes in both items were recorded for a majority

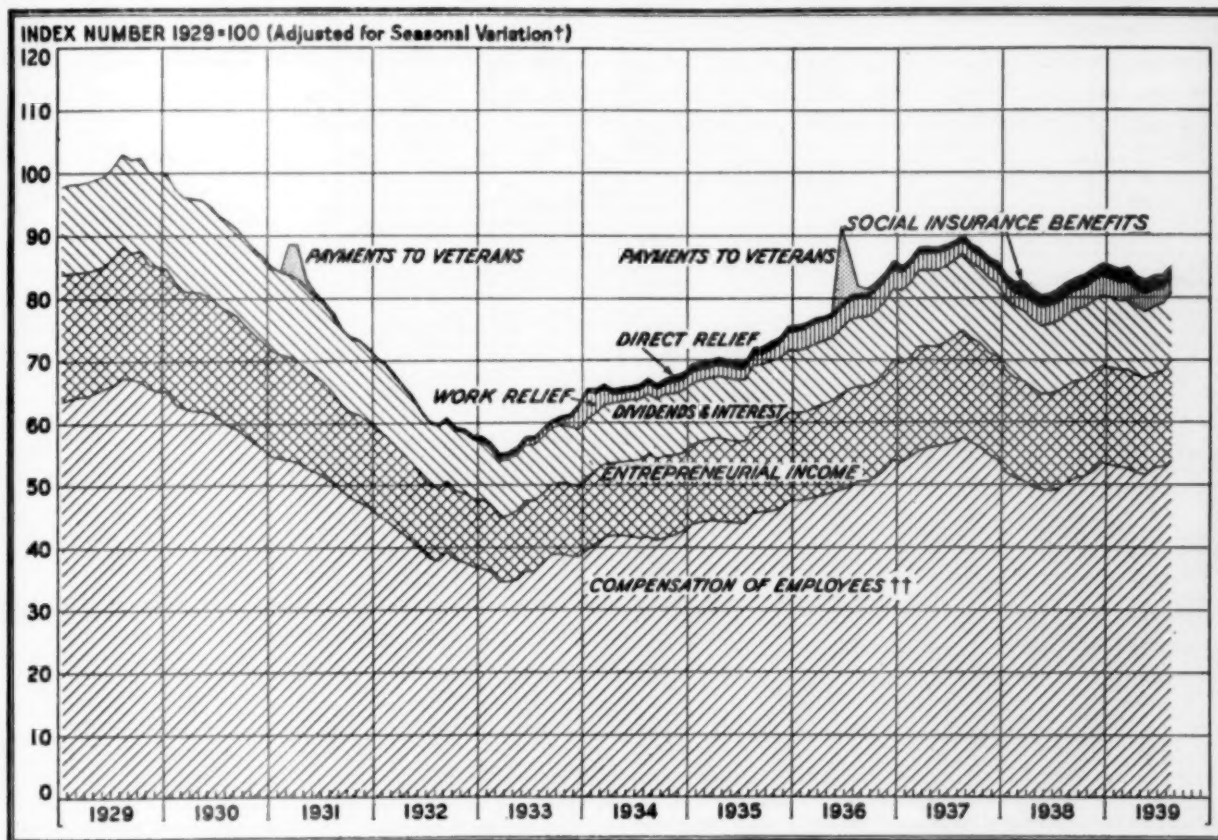
of the States with adequate data. Larger sums were expended for assistance in August than in July in 26 States, and more cases were aided in 27 States. The amount of obligations incurred rose more than 10.0 percent in Florida, Iowa, Maryland, Michigan, Mississippi, Nebraska, North Carolina, Ohio, Pennsylvania, Utah, and Washington. Increases in the number of cases of like magnitude were recorded for Colorado, Florida, North Carolina, Ohio, Utah, and Washington. The greatest increase in expenditures—21.1 percent—occurred in Pennsylvania, and the largest rise in case load—19.2 percent—was reported by Washington.

Although there were reductions in the number of cases and amount of payments in 13 States, the declines exceeded 10.0 percent for both items only in Montana. In Missouri the volume of assistance decreased only slightly, but the number of

cases dropped 23.1 percent from July to August, principally because of the discontinuance of relief to employable persons. A policy of restricting general relief to unemployable persons was put into effect in Missouri following a substantial reduction in the amount of State funds appropriated for this program for the biennial period which began in July.

In August the average amount of relief per case in the 42 States with adequate data ranged from \$4.75 in Arkansas to \$34.28 in New York. For 11 States the average payment was less than \$10, for 16 States \$10–19, for 13 States \$20–29, and for 2 States \$30 or more. The median State average payment of \$15.20 was markedly lower than the arithmetic average of \$24.43 for all States combined. The latter is heavily weighted by the high average payments in a few States with extremely large case loads.

Chart IV.—Index of income payments in the continental United States, January 1929–August 1939



†Work relief, direct relief, social insurance benefits, and payments to veterans not adjusted for seasonal variation.

††Excludes work relief.

Prepared by the U. S. Department of Commerce, Division of Economic Research, National Income Section.

For the 40 States with comparable data on both cases and obligations for August 1938 and August 1939, the number of cases assisted was 3.1 percent larger in August of this year, and total payments were 6.6 percent higher. In many of the individual States the percentage changes were much more pronounced. Despite the upward movement in total payments for the 40 States as a group,

smaller sums were disbursed in August 1939 in 25 States. The declines ranged from less than 1 percent in Louisiana to 52.6 percent in West Virginia and amounted to more than 10.0 percent in 16 States. In the remaining 15 States with comparable data on both items there were increases as compared with August 1938 ranging from 3.7 percent in Indiana to 91.8 percent in

Table 3.—General relief in the continental United States, by States, August 1939

[Data reported by State agencies, corrected to Sept. 25, 1939]

State	Number of cases receiving relief	Amount of obligations incurred for relief ¹	Average amount per case	Percentage change from—			
				July 1939 in—		August 1938 in—	
				Number of cases	Amount of obligations	Number of cases	Amount of obligations
Total for continental United States ²	1,582,000	\$38,088,000					
Total for 42 States reporting adequate data.....	1,483,389	36,235,718	\$24.43	+2.9	+5.5	+3.1	+6.6
Alabama.....	2,142	19,597	9.15	+3.6	+2.6	-44.2	-31.9
Arizona.....	2,951	36,527	12.38	+1.7	+1.7	-6.9	-20.3
Arkansas.....	3,859	18,331	4.75	+7	-2	-7.3	-24.4
California.....	124,017	3,691,288	29.76	+4	-8.7	+25.6	+29.0
Colorado.....	12,526	169,096	13.50	+10.4	+5.9	(³)	(³)
Connecticut.....	21,729	544,549	25.06	+7.7	+8.4	-5.6	-1.7
Delaware.....	1,470	28,788	19.58	+4.2	+7.3	-27.8	-24.2
District of Columbia.....	1,480	37,572	25.23	+2.3	+2.9	(³)	-1.8
Florida.....	9,234	64,484	6.98	+10.7	+11.0	+8	+6.3
Georgia.....	6,257	30,314	4.84	+3.7	+4.5	-10.5	-31.1
Illinois.....	174,649	3,542,993	20.29	-2.9	+3.4	+6.2	-12.1
Indiana.....	47,451	567,442	11.96	+0.1	+7.5	-3.3	+3.7
Iowa.....	28,742	465,060	16.18	+8.2	+12.5	+9.9	+15.2
Kansas.....	18,938	234,269	12.37	+5.4	+7.5	+22.4	+22.9
Louisiana.....	7,722	98,357	12.74	-5	-1.3	+5.4	-6
Maine.....	8,782	167,440	19.07	-3.7	-5.4	-8.0	-9.2
Maryland.....	8,114	181,859	22.41	+7.9	+11.4	-8.9	-8.0
Massachusetts.....	65,203	1,736,207	26.63	+3.8	+8.4	-2.0	-3.7
Michigan.....	50,944	1,186,394	20.83	+5.7	+14.9	-43.1	-35.3
Minnesota.....	36,033	901,933	25.03	+2.5	+6.8	+12.0	+18.3
Mississippi.....	997	5,512	5.53	+8.4	+17.8	+2.7	+44.3
Missouri.....	25,156	283,432	11.27	-23.1	-2.0	-19.8	-9.6
Montana.....	3,889	51,949	13.36	-11.2	-12.4	-31.5	-37.5
Nebraska.....	8,544	102,729	12.02	+9.5	+12.6	+30.4	+21.1
Nevada.....	732	14,792	20.21	-7.6	-6	-3.9	+52.9
New Hampshire.....	6,632	150,703	22.72	-4.5	-7.6	-16.5	-32.8
New Mexico.....	1,931	12,435	6.44	+2.5	+4.2	-18.7	-23.0
New York.....	263,751	9,041,357	34.28	-8	-3.9	-3.6	-6.0
North Carolina.....	5,796	35,226	6.08	+16.3	+14.3	+1.8	+13.2
North Dakota.....	4,198	62,253	14.83	-7.2	-7.8	-7.1	-8.9
Ohio.....	110,968	1,794,924	16.18	+16.2	+16.4	+13.1	+13.4
Oregon.....	7,993	124,428	15.57	+3	-1	-13.2	-20.5
Pennsylvania.....	309,355	9,220,851	30.70	+7.4	+21.1	+28.9	+43.8
South Carolina.....	2,448	21,332	8.71	-4.6	-6.9	-17.1	-35.5
Texas.....	12,344	97,547	7.90	-1.5	-8.4	-1.6	-15.2
Utah.....	5,721	117,245	20.49	+10.9	+15.6	+83.8	+91.8
Vermont.....	2,304	48,754	21.16	-7	-2.1	-8.2	-13.8
Washington.....	8,224	74,126	9.01	-2	+1.6	-45.5	-31.4
West Virginia.....	16,642	225,896	13.57	+19.2	+16.9	(³)	+7.0
Wisconsin.....	10,780	90,518	8.40	-2.0	-1.0	-50.0	-52.6
Wyoming.....	44,248	912,557	20.62	+1.2	+9.4	+12.2	+39.2
Total for 7 States for which figures are estimated ⁴	98,500	1,852,000					
Idaho.....	2,000	26,000					
Kentucky.....	5,000	38,000					
New Jersey.....	50,000	1,337,000					
Oklahoma.....	13,600	46,000					
Rhode Island.....	10,700	319,000					
South Dakota.....	3,900	61,000					
Tennessee.....	4,300	25,000					

¹ From State and local funds; excludes cost of administration; of materials, equipment, and other items incident to operation of work programs; and of special programs, hospitalization, and burials.

² Partly estimated.

³ Percentage change for 39 States and the District of Columbia reporting comparable data for August 1938 and August 1939; does not include Colorado and Washington.

⁴ Not computed, because comparable data are not available.

⁵ No change.

⁶ Estimated by the Social Security Board for all States except South Dakota and Tennessee, for which estimates were made by State agencies.]

Utah; 13 of these States reported upward changes of more than 10.0 percent. The amount of obligations also was higher, in August 1939 in Washington, which is not included with the 40 States because of the lack of comparable data on cases.

Special Types of Public Assistance

In August total obligations incurred for payments to recipients of old-age assistance, aid to dependent children, and aid to the blind in the 48 States, the District of Columbia, Alaska, and Hawaii amounted to \$47.8 million. Included in this aggregate amount are payments to recipients under State plans approved by the Social Security Board and payments made under State laws without Federal financial participation. Excluded are all costs of administering the programs and of certain items, such as hospitalization and burial, with respect to which there are wide differences in State practices.

From July to August total disbursements for the special types of public assistance moved upward only slightly. As compared with the amount expended in August 1938, however, the total volume of assistance was greater by \$4.9 million or 11.4 percent. The largest percentage gain—

16.2 percent—occurred in the amount of obligations incurred for aid to dependent children. Total payments to recipients of old-age assistance amounted to 10.5 percent more than in August 1938, while expenditures for aid to the blind were 6.9 percent higher.

All but approximately 2 percent of the total sum spent for the special types of public assistance in August was disbursed in States administering plans approved by the Social Security Board. Assistance to the aged is administered under approved plans in all 51 jurisdictions, whereas aid to dependent children and aid to the blind are each administered under the Social Security Act in only 42 jurisdictions. Of the \$46.8 million expended for assistance in August in States with approved plans, \$36.4 million was paid to 1.9 million recipients of old-age assistance, \$9.3 million was received by 299,000 families with 721,000 dependent children, and over \$1 million was paid to 45,200 blind persons.

Assistance payments totaling slightly more than \$1 million were disbursed to recipients of aid to the blind and to families with dependent children in States in which these types of aid are administered without financial participation by the Fed-

Table 4.—Special types of public assistance in States with plans approved by the Social Security Board, by months, January 1938–August 1939 ¹

[Data reported by State agencies, corrected to Sept. 15, 1939]

Year and month	Number of recipients				Amount of obligations incurred for payments to recipients ²			
	Old-age assistance	Aid to dependent children ³		Aid to the blind	Total	Old-age assistance	Aid to dependent children ³	Aid to the blind
		Families	Children					
1938 total.....					\$494,741,534	\$390,380,000	\$93,417,560	\$10,963,974
January.....	1,602,025	218,009	541,224	33,595	39,060,567	31,227,485	7,014,662	808,420
February.....	1,625,540	224,737	557,613	35,149	39,510,599	31,443,874	7,222,237	844,488
March.....	1,648,306	231,001	572,582	36,393	40,217,107	31,821,575	7,524,472	871,060
April.....	1,664,541	236,241	585,190	37,218	40,522,123	32,115,413	7,530,714	875,996
May.....	1,680,052	240,079	594,024	38,131	40,787,565	32,364,745	7,540,168	882,652
June.....	1,659,295	243,422	603,335	38,783	40,872,494	32,323,421	7,644,607	904,456
July.....	1,709,812	244,712	606,164	39,596	41,475,321	32,875,578	7,671,460	928,283
August.....	1,719,124	251,743	620,181	40,195	41,885,425	32,965,264	7,978,814	941,347
September.....	1,734,195	254,890	628,925	41,001	42,335,252	33,308,598	8,071,068	955,586
October.....	1,638,552	257,430	633,847	41,448	40,273,967	31,121,023	8,185,856	967,088
November.....	1,764,589	261,116	641,737	42,256	43,419,595	34,017,630	8,418,825	983,140
December.....	1,779,300	266,223	654,306	42,938	44,391,519	34,775,384	8,614,677	1,001,458
1939 total (8 months).....					365,995,462	284,887,327	72,901,934	8,206,201
January.....	1,794,422	274,119	671,008	43,395	45,042,282	35,131,714	8,900,408	1,010,160
February.....	1,806,860	282,675	687,715	43,781	45,331,307	35,244,887	9,066,991	1,019,429
March.....	1,820,447	284,714	690,857	44,004	45,495,340	35,304,221	9,167,050	1,024,069
April.....	1,836,798	282,500	684,910	44,281	45,317,297	35,398,656	8,893,243	1,025,398
May.....	1,838,378	286,099	692,420	44,198	45,265,526	35,284,386	8,959,538	1,021,302
June.....	1,847,895	297,675	718,637	44,602	46,177,510	35,884,066	9,262,355	1,031,069
July.....	1,861,091	298,939	720,847	44,855	46,572,962	36,224,120	9,314,248	1,034,594
August.....	1,874,651	299,294	721,232	45,214	46,793,238	36,415,257	9,337,801	1,040,180

¹ See the *Bulletin*, July 1939, p. 52, for information for February 1938–December 1937. Figures include relatively small numbers of cases eligible under State laws for which no Federal funds may be expended and payments to individuals in excess of amounts which can be matched from Federal funds. Figures are excluded for States not administering Federal funds.

² Includes estimates for Hawaii for January–May 1938.

³ From Federal, State, and local funds; excludes cost of administration and of hospitalization and burials.

eral Government. In Illinois, Missouri, Nevada, Pennsylvania, and Rhode Island payments to 23,900 blind persons amounted to \$669,000. Pennsylvania accounted for more than half of this sum. In Connecticut, Illinois, Iowa, Kentucky, Mississippi, Nevada, South Dakota, and Texas \$343,000 was paid to 14,400 families in behalf of 33,200 dependent children.

Old-Age Assistance

In the 51 jurisdictions administering old-age assistance under the Social Security Act the total number of recipients and the total amount of obligations incurred rose less than 1 percent from July to August. Percentage changes in both items were small in all but a few States.

Tennessee reported marked increases of 27.8 percent in the number assisted and 26.1 percent in the amount of payments. A large increase in the number of recipients had also occurred in July with the result that the number aided in August was 63.4 percent above the number on the assistance rolls in June. The average payment in Tennessee declined only slightly in August as compared with a drop of more than \$3 from June to July. In Virginia, where payments under an approved plan were first made in September 1938, both items increased about 4 percent from July to August.

Total payments for old-age assistance in Hawaii were 15.5 percent lower than in July, although the number of recipients decreased only 2.4 percent. A smaller appropriation from Territorial funds for the current fiscal period necessitated retrenchment in each of the programs for the special types of public assistance. In Florida limitations in the amount of available State funds were responsible for the reduction of 7.9 percent in the volume of payments; the number assisted decreased only 1.6 percent. Maine reported declines of 6.5 percent in the number of recipients and 6.1 percent in the amount of obligations. In West Virginia the number aided declined slightly, and total payments moved downward 5.6 percent.

Marked differences exist among the several States in the incidence of old-age assistance. In each State the proportion of the population potentially eligible to receive assistance is influenced by such factors as the stage of development of the program, the amount of financial support from State and local funds, eligibility requirements,

administrative practices, and public attitudes toward the problem of caring for dependent aged persons. State data on the number of recipients in August 1939 per 1,000 estimated population 65 years and over are shown in chart V. A number of States make grants which are intended to cover the needs of two or more aged persons who are living together; the rates for these States are based on the total number of persons included in the grants. The rates for all States are based on the estimated population 65 years and over, although Missouri, New Hampshire, and Pennsylvania require a minimum age of 70 years for eligibility.

Chart V.—Recipients of old-age assistance per 1,000 population 65 years of age and over in States with plans approved by the Social Security Board, August 1939

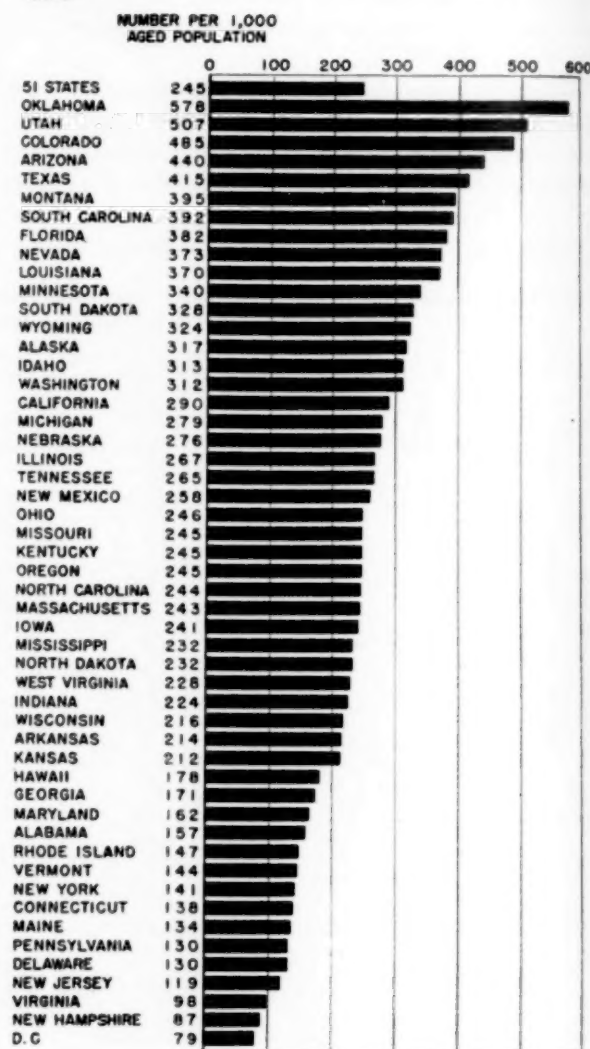


Table 5.—Old-age assistance in States with plans approved by the Social Security Board, by regions and States, August 1939

[Data reported by State agencies, corrected to Sept. 15, 1939]

Region ¹ and State	Number of recipients	Amount of obligations incurred for payments to recipients ²	Average amount per recipient	Percentage change from—				Number of recipients per 1,000 estimated population 65 years and over ³
				July 1939 in—		August 1938 in—		
				Number of recipients	Amount of obligations	Number of recipients	Amount of obligations	
Total.....	1,874,651	\$36,415,257	\$19.43	+0.7	+0.5	+8.2	+10.0	236
Region I:								
Connecticut.....	16,103	432,308	26.85	+1.5	+1.8	+8.1	+9.1	138
Maine.....	11,520	237,913	20.65	-6.5	-6.1	-6.7	-6.7	134
Massachusetts.....	80,084	2,267,332	28.31	+8	+1.2	+12.0	+13.6	243
New Hampshire.....	4,493	106,308	23.66	+1.7	+2.4	+10.4	+24.2	87
Rhode Island.....	6,595	125,942	19.10	+4	+8	+4.1	+5.8	147
Vermont.....	5,613	85,360	15.21	-6	-1	+8.2	+16.2	144
Region II:								
New York.....	112,010	2,664,455	23.79	+9	+1.3	+3.6	+4.7	141
Region III:								
Delaware.....	2,725	29,843	10.95	-1.6	-1.6	+5.2	+6.5	130
New Jersey.....	29,865	587,491	19.67	+9	+1.2	+13.6	+19.3	119
Pennsylvania.....	81,029	1,726,244	21.30	-6	-6	-8.4	-8.2	130
Region IV:								
District of Columbia.....	3,303	82,036	24.84	+1.0	+1.0	+1.0	+6	79
Maryland.....	17,618	305,971	17.37	-2	-1	+2.0	+2.4	162
North Carolina.....	34,061	337,198	9.89	+1.5	+1.5	+13.1	+21.3	244
Virginia.....	14,867	142,953	9.62	+3.6	+3.7	(7)	(7)	98
West Virginia.....	17,854	226,868	12.71	-1.5	-5.6	-4	-8.3	228
Region V:								
Kentucky.....	45,255	392,239	8.67	-2	-1	+9.5	+6.8	245
Michigan.....	81,341	1,339,896	16.47	-1.4	-1.3	+17.9	+16.6	279
Ohio.....	119,013	2,695,615	22.65	+1.1	+1.3	+7.3	+5.5	246
Region VI:								
Illinois.....	133,933	2,607,880	19.47	+2	+8	+7.2	+15.3	267
Indiana.....	64,768	1,120,806	17.30	+5	+8	+47.3	+56.1	234
Wisconsin.....	47,560	1,015,635	21.35	+1.1	+1.5	+14.5	+20.8	216
Region VII:								
Alabama.....	17,320	163,502	9.44	+1.2	+1.4	+15.8	+9.6	187
Florida.....	36,322	446,364	12.29	-1.6	-7.9	+19.0	+3.7	382
Georgia.....	22,434	181,833	8.11	+5	+4	-33.7	-30.9	171
Mississippi.....	19,824	146,694	7.40	+1	+6	+20.2	+57.6	232
South Carolina.....	24,277	197,902	8.15	-1.5	-1.9	+10.7	+26.7	392
Tennessee.....	34,644	347,829	10.04	+27.8	+26.1	+51.3	+14.7	265
Region VIII:								
Iowa.....	52,671	1,052,533	19.98	+6	+8	+8.3	+9.1	241
Minnesota.....	66,352	1,373,237	20.70	(9)	-1	+3.7	+6.8	340
Nebraska.....	27,046	424,161	15.68	-4	+5	+2.6	+6.3	276
North Dakota.....	8,346	147,839	17.71	+1.0	+1.0	+8.8	+12.5	232
South Dakota.....	13,794	238,981	17.32	-1	-9	-13.2	-24.9	328
Region IX:								
Arkansas.....	17,257	103,198	5.98	+5	+3	-2.1	-32.8	214
Kansas.....	24,719	432,186	17.48	+1.0	+8	+21.5	+16.4	212
Missouri.....	76,303	1,443,256	18.89	+3	+5	+6.5	+14.8	245
Oklahoma.....	65,788	1,212,212	17.62	+5	+3	+7.2	+24.6	578
Region X:								
Louisiana.....	29,991	318,360	10.62	+1	+5	+13.1	+20.0	370
New Mexico.....	3,869	46,206	11.94	-1.0	-2	+1.9	+9.7	258
Texas.....	118,369	1,679,359	14.19	+1.0	+1.2	+5.9	+9.0	415
Region XI:								
Arizona.....	7,482	197,646	26.42	+5	+6	+16.1	+18.4	440
Colorado.....	39,218	1,225,566	31.25	+5	-2.5	+5.9	+27.9	485
Idaho.....	8,366	179,828	21.50	-1	(10)	-3.1	-3.2	313
Montana.....	12,239	219,017	17.90	-2	(10)	-5	-12.7	395
Utah.....	13,687	285,796	20.88	+4	+6	+4.3	-14.0	507
Wyoming.....	3,223	74,451	23.10	+1.2	+1.2	+10.5	+19.3	324
Region XII:								
California.....	133,625	4,334,396	32.44	+6	+6	+10.4	+10.6	290
Nevada.....	2,236	59,355	26.55	+6	+6	+12.1	+11.2	373
Oregon.....	20,542	439,150	21.38	+1.5	+1.5	+13.8	+14.5	245
Washington.....	38,973	860,034	22.07	+3	+1	+7.7	+7.5	312
Territories:								
Alaska.....	1,269	35,095	27.66	+1.8	+2.2	+24.3	+26.6	317
Hawaii.....	1,735	18,978	10.94	-2.4	-15.5	-1.5	-14.0	178

¹ Social Security Board administrative regions.

² From Federal, State, and local funds; excludes cost of administration and of hospitalization and burials.

³ Population as of July 1, 1938, estimated with advice of the U. S. Bureau of the Census.

⁴ Comparison for 47 States, the District of Columbia, Alaska, and Hawaii with approved plans for August 1938 and August 1939.

⁵ Adjustments have been made for grants covering 2 or more eligible individuals for Alabama, Arkansas, Georgia, Idaho, Kansas, Louisiana, Mary-

land, Mississippi, New Hampshire, New Mexico, North Carolina, South Carolina, Tennessee, West Virginia, Wyoming, and Hawaii.

⁶ Minimum age under State plan is 70 years, but rate is based on population 65 and over.

⁷ No approved plan for old-age assistance for August 1938.

⁸ Decrease of less than 0.1 percent.

⁹ Includes \$102,341 incurred for payments to 3,292 recipients 60 but under 65 years of age. Rate per 1,000 excludes these recipients.

¹⁰ Increase of less than 0.1 percent.

For the 50 jurisdictions making payments under approved plans in August 1938 and August 1939, the total number of recipients was 8.2 percent greater in August of this year, and the total amount of obligations incurred was 10.0 percent higher. Payments for August 1939 were 20.0 percent or more above the August 1938 level in Alaska, Colorado, Indiana, Louisiana, Mississippi, New Hampshire, North Carolina, Oklahoma, South Carolina, and Wisconsin. Aggregate monthly expenditures had risen 57.6 percent in Mississippi and 56.1 percent in Indiana. In Mississippi the State appropriation which became available in July 1938 was about double that for the preceding biennium. In Indiana the program expanded steadily following a reduction in July 1938 in the age required for eligibility from 70 to 65 years.

Substantially smaller sums were expended in August 1939 in Arkansas, Georgia, Hawaii, Montana, Pennsylvania, South Dakota, Utah, and West Virginia. The declines from August 1938 in these States ranged from 8.2 percent in Pennsylvania to 39.9 percent in Georgia.

Aid to Dependent Children

The total numbers of families and children receiving aid to dependent children in the 42 jurisdictions with approved plans and the total amount of payments to these recipients were practically unchanged from July to August. Sizable fluctuations occurred in only a few States.

The most pronounced changes were reported by Hawaii, where the numbers of families and children each declined 13.3 percent and the volume of assistance dropped 23.5 percent. These decreases were attributable to a reduction in the amount appropriated from Territorial funds for the current fiscal period. In Washington all three items were about 3 percent lower than in July.

In New Hampshire, where the program has expanded steadily in recent months, there were increases in the numbers of families and children of 9.0 and 8.2 percent, respectively, and of 10.6 percent in the amount of obligations incurred. Gains of 5 to 7 percent in families, children, and payments were recorded for Virginia, in which payments under an approved plan were initiated in September of last year. In Maine all three items rose 3 or 4 percent from July to August.

Chart VI.—Number of children receiving aid to dependent children per 1,000 population under 16 years of age in States with plans approved by the Social Security Board, August 1939



The differences in State situations underlying the development of programs for aid to dependent children are reflected in the wide variation in the ratio of the number of children assisted to the total number potentially eligible. Under an amendment to the Social Security Act effective August 10, 1939, the group of children for whose assistance Federal funds may be used was expanded to include children from 16 to 18 years of age, if they are regularly attending school. At present, however, children aged 16 and over are eligible in only a few States, and it may be some time before most States are able to amend their plans to take advantage of this liberalization in the Federal statute. Consequently, the rates for August, as shown in chart VI, are based on the total estimated population under 16 years of age.

Data for the 41 jurisdictions with approved plans in August 1938 and August 1939 show that families, children, and payments were 16 to 18 percent higher in August of this year. Much

larger expansions were recorded for a number of individual States. The exceptional gains in Florida reflected the fact that in August 1938 payments were made under a State law from local funds

Table 6.—Aid to dependent children in States with plans approved by the Social Security Board, by regions and States, August 1939

[Data reported by State agencies, corrected to Sept. 15, 1939]

Region ¹ and State	Number of recipients		Amount of obligations incurred for payments to recipients ²	Average amount per family	Percentage change from—						Number of recipients per 1,000 estimated population under 16 years ³
	Families	Children			July 1939 in—			August 1938 in—			
					Number of recipients	Amount of obligations	Number of recipients		Amount of obligations		
							Families	Children		Families		Children
Total	299,264	721,232	\$9,337,801	\$31.20	+0.1	+0.1	+0.3	+18.4	+15.6	+16.7	24
Region I:											
Maine	1,403	3,615	52,892	37.70	+3.2	+3.7	+3.4	+5.2	+2.5	+5.9	15
Massachusetts	10,615	25,199	620,576	58.46	+1.1	+1.0	+2.3	+19.4	+15.2	+11.0	22
New Hampshire	519	1,345	20,692	39.57	+9.0	+8.2	+10.6	+48.3	+40.0	+67.5	10
Rhode Island	1,154	3,096	53,394	46.25	+3	+9	+2	+21.5	+18.7	+16.7	17
Vermont	461	1,367	13,658	29.69	+4	-1	+1.0	+36.8	+33.4	+73.6	13
Region II:											
New York	36,524	72,401	1,738,096	47.59	-3	-2	-6	+12.8	+10.5	+11.6	25
Region III:											
Delaware	494	1,170	15,279	30.93	+2	+1.1	+1.0	+2	+1.0	+1.5	17
New Jersey	10,686	23,505	318,332	29.79	-4	-4	-4	-1	-2.2	+2.4	21
Pennsylvania	29,411	68,420	1,029,559	35.01	+1.2	+1.0	+1.6	+66.6	+58.1	+70.5	23
Region IV:											
District of Columbia	946	2,783	35,509	37.54	-9	-7	-5	-14.9	-18.1	-30.7	22
Maryland	7,401	20,124	229,730	31.04	-6	-6	(⁴)	+1.5	+6	+8	45
North Carolina	8,129	21,141	124,051	15.26	(⁵)	-8	-9	+11.2	+4.3	+11.7	17
Virginia	1,274	4,154	27,757	21.79	+7.0	+6.3	+5.4	(⁶)	(⁶)	(⁶)	5
West Virginia	7,336	20,777	145,324	19.81	+1.1	+1.4	-2.8	+28.5	+24.2	+18.8	33
Region V:											
Michigan	14,408	32,914	495,301	34.38	-7	-8	+5	+16.5	+14.4	+14.0	25
Ohio	10,351	29,656	396,962	38.35	-5	-8	-8	-4.9	-5.5	-7.8	17
Region VI:											
Indiana	16,921	34,782	466,455	27.57	+3	+1	+4	+17.5	+13.8	+18.5	38
Wisconsin	11,588	26,761	427,558	36.90	+9	+9	+1.6	+13.5	+11.7	+18.2	30
Region VII:											
Alabama	5,536	16,399	71,973	13.00	-1	-3	+2.1	-2.8	-2.4	-29.5	16
Florida	3,462	9,295	79,264	22.90	-1.2	+2.1	-1.8	+166.3	+186.0	+322.1	19
Georgia	3,674	9,913	75,111	20.44	-9	-1.4	-1.0	-15.9	-16.5	-19.4	10
South Carolina	4,604	13,448	75,026	16.30	-2.2	-2.6	-2.2	+22.6	+23.5	+42.9	19
Tennessee	9,765	26,015	179,120	18.34	+4	+5	+3	-4.1	-6.0	-4.3	28
Region VIII:											
Minnesota	7,874	19,351	275,061	34.93	+1.1	+1.1	+8	+31.7	+27.5	+31.9	26
Nebraska	10,524	11,377	122,585	24.40	+7	+1.0	+1.7	+15.3	+11.8	+14.7	30
North Dakota	2,078	7,812	66,629	32.06	(⁷)	(⁷)	-9	+99.4	+81.2	+90.7	25
Region IX:											
Arkansas	4,070	11,106	32,980	8.10	+4	+6	+2	-5.3	-6.3	-28.8	16
Kansas	5,954	13,490	158,500	26.62	+2	+2	+8	+40.7	+32.2	+29.8	26
Missouri	9,973	23,456	191,990	19.25	-9	-1.3	-1.0	+99.0	+82.7	+22.9	23
Oklahoma	17,262	39,543	207,532	12.09	+4	+4	+7	+18.4	+17.3	+4.9	48
Region X:											
Louisiana	11,127	31,642	237,481	21.34	+5	+2	+5	+23.7	+28.0	+27.1	47
New Mexico	1,671	4,847	36,341	21.75	-2.6	-2.8	-1.5	+13.1	+13.1	+40.4	33
Region XI:											
Arizona	2,607	6,829	79,864	31.86	(¹¹)	+1	-3	+35.8	+23.9	+29.5	53
Colorado	4,916	12,022	144,937	29.48	+7	+6	-2	+33.3	+25.9	+27.4	41
Idaho	2,651	6,356	71,953	27.14	+2	+1.0	+1.0	+3.0	+5.0	+6.5	41
Montana	2,164	5,099	58,727	27.14	-3	+2	+9	+7.8	+7.6	+3.8	34
Utah	3,265	7,794	110,548	33.86	+8	+3	+1.4	+16.9	+13.0	+28.9	45
Wyoming	699	1,728	21,742	31.10	+1	-1	+3	+18.1	+18.0	+21.3	25
Region XII:											
California	13,867	34,363	586,132	42.27	+4	+1	+6	+10.9	+11.1	+18.5	26
Oregon	1,824	4,959	73,523	40.31	+1.7	+1.8	+1.8	+27.3	+27.3	+38.1	17
Washington	4,874	11,035	142,536	29.24	-3.0	-3.2	-3.0	-17.1	-15.5	-13.3	28
Territory:											
Hawaii	862	3,040	27,092	31.43	-13.3	-13.3	-23.5	-7	-1.4	-7.4	22

¹ Social Security Board administrative regions.

² From Federal, State, and local funds; excludes cost of administration and of hospitalization and burials.

³ Population as of July 1, 1938, estimated with advice of the U. S. Bureau of the Census.

⁴ Comparison for 39 States, the District of Columbia, and Hawaii with approved plans for August 1938 and August 1939.

⁵ Decrease of less than 0.1 percent.

⁶ No approved plan for aid to dependent children for August 1938.

⁷ Includes an unknown number of children 16 years of age and over.

⁸ Includes approximately 2,730 children 16 years of age and over. Rate per 1,000 excludes these children.

⁹ Plan approved for August 1938, but payments for that month were made under State law from local funds only; payments under approved plan from Federal and State funds first made for September 1938.

¹⁰ In addition, in 69 counties payments amounting to \$12,631 were made from local funds without Federal participation to 701 families in behalf of 1,481 children under the State mothers'-pension law. Some families receiving aid from this source for August also received aid under State plan for aid to dependent children approved by the Social Security Board.

¹¹ No change.

only, although a State plan was approved for that month. In New Hampshire, North Dakota, Pennsylvania, and Vermont total obligations were 57.5 to 90.7 percent above the August 1938 level. During the course of the year Pennsylvania transferred to this program a large number of families previously assisted under the general relief program.

Total disbursements were considerably lower in August 1939 in Alabama, Arkansas, the District of Columbia, Georgia, Hawaii, Ohio, and Washington. In these States the decreases from August 1938 ranged from 7.4 percent in Hawaii to 30.7 percent in the District of Columbia.

Aid to the Blind

In August the total number of recipients of aid to the blind in the 42 jurisdictions making payments under the Social Security Act and the total volume of assistance to these recipients increased less than 1 percent. Percentage changes in both items were small in all but a few States.

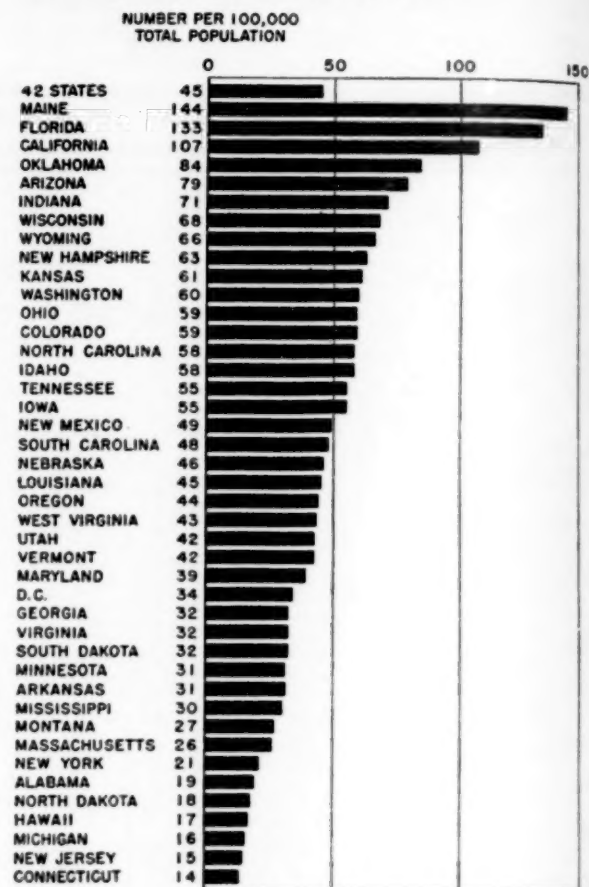
Upward changes of 15.9 percent in the number of recipients and 20.3 percent in disbursements were recorded for Connecticut. North Carolina reported increases of 5.0 percent in the number assisted and 10.6 percent in the amount of obligations. In North Carolina a somewhat larger sum was appropriated from State funds for aid to the blind in the biennium beginning July 1939. In Mississippi and Kansas there were increases of 3 or 4 percent in both recipients and payments. Mississippi began payments under an approved plan in November of last year.

In Florida stringency of available State funds is reflected in a reduction of 9.2 percent in the amount of payments; the number receiving assistance dropped only 2.2 percent. Limitations of available State funds also played a part in the declines in South Dakota, where the number aided decreased 3.0 percent and the amount expended 5.2 percent.

Owing to the fact that adequate data on the extent of blindness are not available, the incidence of aid to the blind is measured by relating the number assisted to the total population. The number of recipients in August per 100,000 estimated total population in each State with an approved plan is shown in chart VII.

In the 41 jurisdictions making payments under the Social Security Act in August 1938 and

Chart VII.—Recipients of aid to the blind per 100,000 total population in States with plans approved by the Social Security Board, August 1939



August 1939, the total number of recipients was 11.0 percent greater than a year ago, and the total amount of obligations was 10.1 percent higher. In Connecticut, Kansas, Louisiana, Minnesota, North Dakota, South Carolina, and Vermont the amount disbursed for assistance was from 22.8 to 92.5 percent above the level of expenditures in August 1938. The percentage increase in the volume of payments was greater than the percentage gain in the number assisted in all these States except Kansas.

In several States the sums expended for assistance in August 1939 were well below the amounts reported for the same month of 1938. The decreases in Arkansas, Georgia, South Dakota, Tennessee, and Wyoming were between 6.3 and 28.3 percent. Declines in the number of recipients occurred in only two of these States—Georgia and Wyoming.

Table 7.—Aid to the blind in States with plans approved by the Social Security Board, by regions and States, August 1939

[Data reported by State agencies, corrected to Sept. 15, 1939]

Region ¹ and State	Number of recipients	Amount of obligations incurred for payments to recipients ²	Average amount per recipient	Percentage change from—				Number of recipients per 100,000 estimated population ³
				July 1939 in—		August 1938 in—		
				Number of recipients	Amount of obligations	Number of recipients	Amount of obligations	
Total.....	45,214	\$1,040,180	\$23.01	+0.8	+0.5	+11.0	+10.1	46
Region I:								
Connecticut.....	248	\$6,072	24.48	+15.9	+20.3	+55.0	+92.5	14
Maine.....	1,236	28,387	22.97	—	—	—	+1.3	144
Massachusetts.....	1,147	25,734	22.44	+1	+3	+6.8	+11.8	26
New Hampshire.....	320	7,269	22.72	—3	+1.4	+8.8	+15.4	63
Vermont.....	159	3,309	20.81	+1.9	+2.4	+15.2	+41.3	42
Region II:								
New York.....	2,689	65,359	24.31	+1	(⁴)	+5.5	+9.0	21
Region III:								
New Jersey.....	637	14,565	22.86	(⁷)	(⁶)	+9.5	+12.4	15
Region IV:								
District of Columbia.....	212	5,412	25.53	+1.4	+1.2	+5	—2.6	34
Maryland.....	659	13,902	21.10	+3	+6	+7.0	+8.1	39
North Carolina.....	2,030	31,381	15.46	+5.0	+10.6	+7	+4.3	58
Virginia.....	874	11,043	12.64	+2.3	+2.0	(¹⁰)	(¹¹)	32
West Virginia.....	810	12,950	15.99	+4	—2.3	+11.3	+3.9	43
Region V:								
Michigan.....	760	16,903	22.24	+7	—2.7	+23.6	+19.1	16
Ohio.....	3,951	78,049	19.75	—1	—1	+1.3	+3.1	59
Region VI:								
Indiana.....	2,472	48,956	19.80	+1	+5	+1.8	+5.0	71
Wisconsin.....	1,996	45,583	22.84	+2	+4	+1.9	+5.0	58
Region VII:								
Alabama.....	548	4,864	8.88	+1.3	+1.2	+21.2	+12.4	19
Florida.....	2,221	28,732	12.94	—2.2	—0.2	+24.8	+10.5	133
Georgia.....	957	9,876	10.01	—4	—3	—13.3	—22.3	32
Mississippi.....	899	4,322	7.22	+3.1	+3.7	(¹⁰)	(¹⁰)	30
South Carolina.....	906	9,895	10.92	—1.7	—2.5	+10.6	+31.0	48
Tennessee.....	1,590	17,439	10.97	+2.1	+2.0	+16.0	—13.4	55
Region VIII:								
Iowa.....	1,413	32,727	23.16	+1.4	+1.3	+17.4	+17.2	55
Minnesota.....	827	20,837	25.20	+1.0	+6	+21.3	+28.9	31
Nebraska.....	629	12,840	20.41	+3.8	+9	+5.9	+9.8	46
North Dakota.....	127	2,528	19.91	+8	+1.9	+14.4	+23.6	18
South Dakota.....	223	3,673	16.47	—3.0	—5.2	+13.8	—9.6	32
Region IX:								
Arkansas.....	632	4,113	6.51	(⁷)	+2	(⁷)	—28.3	31
Kansas.....	1,131	20,972	18.54	+3.8	+3.2	+32.7	+22.8	61
Oklahoma.....	2,133	31,693	14.86	+1.1	+1.5	+7.2	—2.2	84
Region X:								
Louisiana.....	950	12,816	13.49	+2.2	+1.6	+37.9	+43.5	45
New Mexico.....	205	3,124	15.24	—1.0	—4	—1.0	+14.0	49
Region XI:								
Arizona.....	327	8,192	25.05	+6	+8	+14.3	+19.8	79
Colorado.....	629	17,285	27.48	+1.5	—3.0	+4.5	+1.4	59
Idaho.....	288	6,193	21.50	+3	+8	+3.2	—2	58
Montana.....	144	2,969	20.62	—1.4	—2.5	(¹¹)	(¹¹)	27
Utah.....	216	5,581	25.84	+1.4	+5	(⁷)	+2.3	42
Wyoming.....	156	4,333	27.71	+1.3	+5	—3.1	—6.3	66
Region XII:								
California.....	6,614	317,775	48.05	+9	+9	+13.4	+13.7	107
Oregon.....	453	11,432	25.24	+1.3	+1.1	+3.9	+3.3	44
Washington.....	999	20,233	30.26	+2	+1	+1	—3.6	60
Territory:								
Hawaii.....	67	872	13.02	(¹¹)	(¹¹)	(¹¹)	(¹¹)	17

¹ Social Security Board administrative regions.

² From Federal, State, and local funds; excludes cost of administration and of hospitalization and burial.

³ Population as of July 1, 1937, estimated by the U. S. Bureau of the Census.

⁴ Comparison for 39 States, the District of Columbia, and Hawaii with approved plans for August 1938 and August 1939.

⁵ Includes aid to the blind administered under State law without Federal participation.

⁶ Increase of less than 0.1 percent.

⁷ No change.

⁸ Plan approved for August 1938 but no payments made.

⁹ Does not include aid to the blind administered by county governments to recipients not yet approved for aid under State plan.

¹⁰ No approved plan for aid to the blind for August 1938.

¹¹ Not computed, because figures too small for comparison.

STATISTICS BY STATES, JULY 1939

State data on payments to recipients under public-assistance and Federal work programs and on the numbers benefited under the various programs are shown in tables 8 and 9. These data show the extensive variation in State patterns underlying national aggregates.

Declines in total assistance and earnings in all

States except Maine contributed to the drop of 8.1 percent in total payments in the continental United States from June to July. In the individual States the decreases ranged from 1.5 percent in California to 16.8 percent in Nevada. Total payments were 10 percent or more below the June level in 20 States.

Table 8.—Amount of public assistance and earnings of persons employed under Federal work programs in the continental United States, by States, July 1939 ¹

[In thousands]

State	All public assistance and earnings of persons employed under Federal work programs	Obligations incurred for—		Subsistence payments certified by the Farm Security Administration	Earnings of persons employed under Federal work programs				
		Special types of public assistance	General relief		Civilian Conservation Corps	National Youth Administration work projects ¹	Work Projects Administration		Other Federal work and construction projects
							Projects operated by the WPA	Projects operated by other Federal agencies	
Total.....	\$279, 736	\$47, 489	\$36, 131	\$828	\$20, 181	\$2, 570	\$119, 533	\$2, 492	¹ \$50, 512
Alabama.....	3, 541	237	19	11	539	60	1, 769	5	901
Arizona.....	1, 216	285	36	28	163	17	1, 349	1	337
Arkansas.....	2, 536	140	18	12	552	24	1, 443	6	841
California.....	18, 915	5, 205	4, 044	45	735	104	5, 788	248	2, 746
Colorado.....	3, 739	1, 420	160	14	206	14	1, 095	111	730
Connecticut.....	3, 781	498	502	(³)	209	41	1, 510	30	990
Delaware.....	428	45	27	(³)	37	3	148	7	100
District of Columbia.....	2, 159	122	37	—	57	16	582	119	1, 225
Florida.....	3, 229	397	58	2	326	16	1, 634	29	867
Georgia.....	3, 452	267	29	10	611	69	1, 938	37	491
Idaho.....	1, 101	257	² 27	1	87	19	408	66	235
Illinois.....	19, 428	2, 960	3, 426	5	1, 056	166	9, 626	42	2, 149
Indiana.....	7, 728	1, 625	528	2	458	68	3, 968	20	1, 059
Iowa.....	3, 785	1, 139	413	1	238	21	1, 249	17	707
Kansas.....	2, 777	606	218	39	261	27	1, 109	79	438
Kentucky.....	4, 077	401	⁴ 40	5	467	64	2, 106	121	873
Louisiana.....	3, 518	566	100	3	439	58	1, 676	2	673
Maine.....	1, 582	333	177	1	136	40	338	28	529
Maryland.....	2, 489	550	163	1	207	17	616	110	825
Massachusetts.....	13, 988	2, 874	1, 601	(³)	619	60	6, 382	104	2, 347
Michigan.....	11, 913	1, 868	1, 033	6	640	128	6, 802	31	1, 404
Minnesota.....	6, 486	1, 668	845	5	534	43	2, 545	26	830
Mississippi.....	2, 734	152	5	13	458	52	1, 249	10	795
Missouri.....	7, 549	1, 721	289	17	813	44	3, 723	17	924
Montana.....	2, 198	280	59	85	165	24	687	30	868
Nebraska.....	2, 714	555	91	28	230	20	1, 203	37	548
Nevada.....	356	62	15	0	18	3	76	0	182
New Hampshire.....	1, 288	130	163	1	45	14	409	11	514
New Jersey.....	10, 222	915	1, 349	2	582	112	5, 139	123	2, 000
New Mexico.....	1, 110	86	12	60	145	28	485	9	284
New York.....	34, 870	4, 445	9, 405	6	1, 296	330	13, 697	234	5, 458
North Carolina.....	3, 438	486	31	3	523	28	1, 418	46	904
North Dakota.....	1, 263	216	67	93	235	12	483	37	140
Ohio.....	17, 187	3, 140	1, 542	6	931	110	9, 508	34	1, 917
Oklahoma.....	4, 890	1, 446	⁴ 46	30	643	24	2, 301	49	351
Oregon.....	2, 222	516	125	1	164	16	853	10	536
Pennsylvania.....	26, 355	3, 120	7, 615	5	1, 267	170	9, 913	108	4, 157
Rhode Island.....	2, 021	179	² 247	(³)	93	12	776	24	691
South Carolina.....	2, 917	289	23	5	370	78	1, 355	104	694
South Dakota.....	1, 528	275	49	193	210	23	619	38	122
Tennessee.....	3, 357	472	² 21	2	535	49	1, 270	17	995
Texas.....	8, 065	1, 660	106	66	1, 151	57	3, 089	70	1, 866
Utah.....	1, 361	399	101	1	94	15	519	7	224
Vermont.....	551	102	50	1	37	3	227	20	111
Virginia.....	3, 654	175	73	2	475	77	890	169	1, 794
Washington.....	5, 167	1, 037	193	3	299	32	1, 655	12	1, 937
West Virginia.....	3, 190	403	91	1	335	75	1, 717	7	560
Wisconsin.....	6, 921	1, 467	834	10	439	78	3, 037	20	1, 036
Wyoming.....	709	100	26	4	51	8	153	11	357

¹ See footnotes on table 1.

² No earnings under student-aid program during July.

³ Includes \$1,935 not distributed by States.

⁴ Less than \$500.

⁵ Estimated.

In July there were declines in total earnings on projects operated by the Work Projects Administration in all States; the decreases were as large as 20 percent in 4 States. Earnings on other Federal work and construction projects decreased in 40 States, and total payments for general relief declined in 37 States. On the other hand, July was the first month of a new enrollment period in the Civilian Conservation Corps, and earnings

of enrollees increased in 39 States. Larger sums were expended for the special types of public assistance in 33 States.

Disbursements for earnings on WPA-financed projects and total earnings under the program of the National Youth Administration declined in all States, and payments certified by the Farm Security Administration were lower than in June in a great majority of the States.

Table 9.—Recipients of public assistance and persons employed under Federal work programs in the continental United States, by States, July 1939 ¹

State	Recipients of special types of public assistance				Cases receiving general relief	Cases for which sub-sistence payments were certified by the Farm Security Administration	Persons employed under Federal work programs				
	Old-age assistance	Aid to dependent children		Aid to the blind			Civilian Conservation Corps ¹	National Youth Administration work projects ²	Work Projects Administration		Other Federal work and construction projects
		Families	Children						Projects operated by the WPA	Projects operated by other Federal agencies	
Total.....	1,858,067	312,322	750,559	68,542	1,538,594	45,695	288,307	207,357	2,234,792	44,159	490,771
Alabama.....	17,108	5,543	16,449	541	2,067	332	7,703	5,478	47,195	115	11,544
Arizona.....	7,446	2,507	6,822	325	2,902	2,595	2,324	1,107	6,832	13	3,283
Arkansas.....	17,165	4,052	11,038	632	3,833	908	7,879	3,626	40,580	137	5,041
California.....	132,809	13,817	34,328	6,554	123,569	3,382	10,502	6,892	92,743	3,183	21,709
Colorado.....	39,011	4,882	11,955	620	11,341	815	2,943	2,090	21,652	1,859	6,892
Connecticut.....	15,860	1,412	3,300	214	20,177	3	2,989	2,312	21,037	613	8,726
Delaware.....	2,769	493	1,157	—	1,411	5	532	323	3,030	124	1,676
District of Columbia.....	3,271	955	2,803	209	1,456	—	808	864	9,893	1,598	9,522
Florida.....	36,898	3,504	9,108	2,276	8,341	109	4,659	2,018	39,080	585	7,127
Georgia.....	22,323	3,706	10,055	991	6,036	398	8,734	4,222	49,659	708	9,204
Idaho.....	8,375	2,645	6,296	287	2,100	55	1,241	873	8,324	1,208	2,466
Illinois.....	133,602	7,500	17,000	7,700	179,816	160	15,082	12,577	172,182	814	17,847
Indiana.....	64,432	16,872	34,749	2,469	44,728	75	6,549	5,147	73,009	419	10,176
Iowa.....	52,364	3,000	7,000	1,393	26,563	37	3,398	2,450	24,432	406	8,405
Kansas.....	24,476	5,944	13,465	1,090	17,962	2,377	3,722	4,598	26,686	1,567	5,193
Kentucky.....	45,356	2,249	7,787	—	4,800	148	6,674	6,604	50,462	3,113	9,648
Louisiana.....	29,954	11,076	31,582	930	7,764	164	6,272	5,116	40,035	26	8,174
Maine.....	12,327	1,360	3,487	1,241	9,122	47	1,936	1,508	6,840	621	6,927
Maryland.....	17,646	7,444	20,237	657	7,522	44	2,954	1,041	12,341	2,442	8,211
Massachusetts.....	79,484	10,504	24,948	1,146	62,797	12	8,842	4,064	93,730	1,491	20,943
Michigan.....	82,516	14,512	33,182	755	53,869	325	9,148	7,731	117,401	605	13,645
Minnesota.....	66,377	7,789	19,144	819	35,141	280	7,632	3,806	48,130	564	9,142
Mississippi.....	19,800	1,166	4,415	581	920	803	6,541	5,008	37,258	246	12,688
Missouri.....	76,170	10,065	23,754	3,655	32,707	321	11,615	5,056	79,937	372	10,694
Montana.....	12,263	2,170	5,090	146	4,379	3,708	2,358	1,325	12,849	662	7,523
Nebraska.....	27,157	4,991	11,265	606	7,801	2,071	3,290	1,786	22,902	473	6,349
Nevada.....	2,222	135	330	10	792	0	263	172	1,528	0	1,475
New Hampshire.....	4,417	476	1,243	321	6,945	24	650	868	7,691	240	4,175
New Jersey.....	29,591	10,725	23,588	637	60,100	64	8,318	6,908	75,776	1,602	16,454
New Mexico.....	3,908	1,716	4,989	207	1,883	2,976	2,073	1,698	10,319	140	3,351
New York.....	111,007	36,641	72,564	2,687	265,936	223	18,510	22,741	183,326	3,098	40,339
North Carolina.....	33,580	8,132	21,318	1,933	4,985	163	7,479	2,823	39,103	1,112	12,738
North Dakota.....	8,260	2,079	5,813	126	4,524	6,021	3,355	2,896	10,712	884	1,836
Ohio.....	117,739	10,403	29,885	3,954	95,536	172	13,295	8,047	186,163	498	18,905
Oklahoma.....	68,439	17,137	39,388	2,110	12,100	1,210	9,184	4,465	49,176	1,213	4,086
Oregon.....	20,233	1,794	3,986	447	7,973	35	2,341	1,219	14,423	200	5,006
Pennsylvania.....	81,496	29,073	67,714	12,336	279,548	189	18,101	11,305	144,538	1,454	36,354
Rhode Island.....	6,566	1,150	3,069	85	10,400	7	1,329	1,773	12,491	348	5,087
South Carolina.....	24,659	4,707	13,811	922	2,565	209	5,291	6,040	36,831	1,187	9,072
South Dakota.....	13,807	1,799	4,142	230	3,792	12,003	3,006	1,486	12,580	840	1,646
Tennessee.....	27,112	9,728	23,888	1,557	3,900	81	7,640	6,024	39,883	318	11,366
Texas.....	117,213	116	244	—	12,538	2,292	10,448	10,754	85,389	2,003	23,921
Utah.....	13,628	3,239	7,769	213	5,157	27	1,343	1,729	9,662	309	2,212
Vermont.....	5,645	459	1,369	155	2,320	19	522	341	4,446	313	1,374
Virginia.....	14,356	1,191	3,906	854	8,238	55	6,787	4,899	23,403	3,250	18,921
Washington.....	38,870	5,026	11,396	997	13,956	71	4,259	1,787	30,193	344	12,512
West Virginia.....	18,133	7,254	20,490	807	11,000	28	4,786	5,455	38,382	187	6,480
Wisconsin.....	47,042	11,486	26,512	1,992	43,733	486	6,273	5,790	57,394	323	9,587
Wyoming.....	3,185	698	1,729	154	1,549	166	726	515	3,184	263	3,267

¹ See footnotes on table 2.

² Figures represent average number of persons enrolled, by State of origin, on 10th, 20th, and last day of month, except for the Indian Division, for which averages are computed from daily reports; formerly represented number enrolled as of last day of month.

³ No persons employed under student-aid program during July.

⁴ Includes 69 persons not distributed by States.

⁵ Includes 22 persons not distributed by States.

⁶ Estimated.

STATISTICS FOR URBAN AREAS

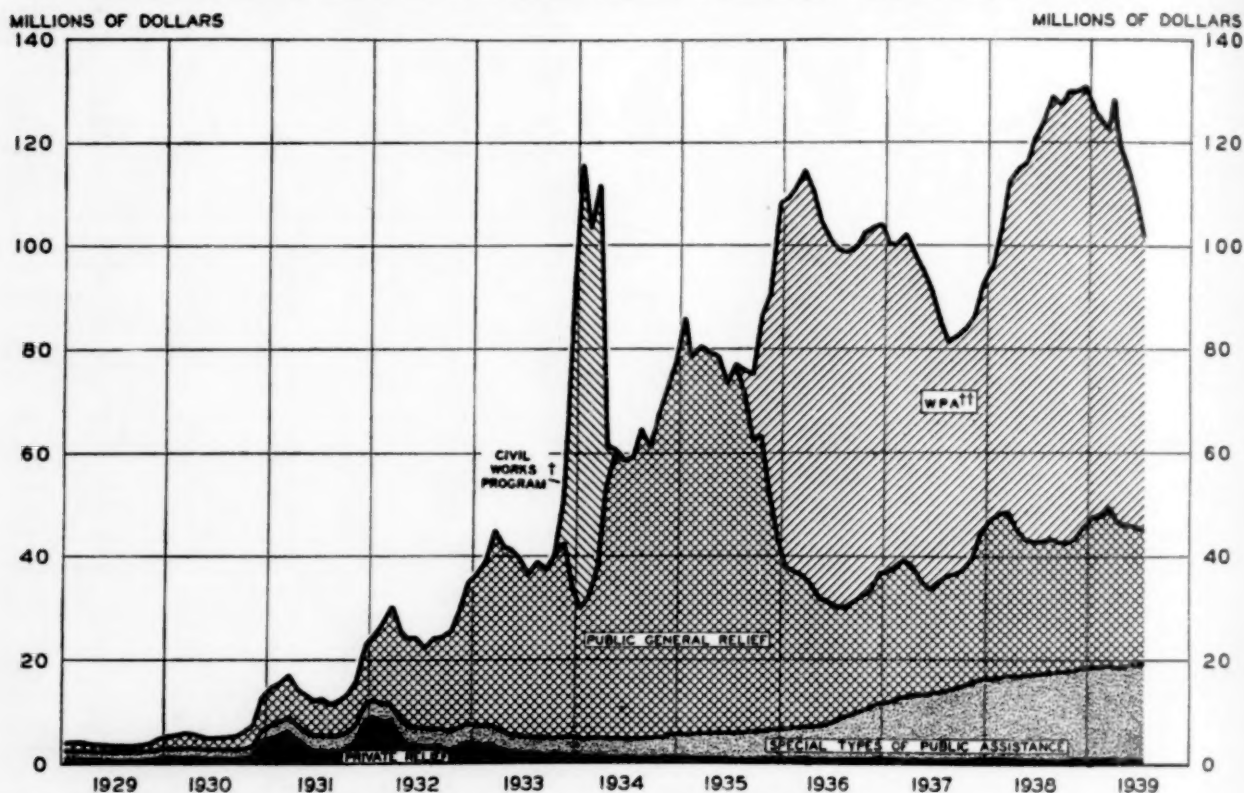
Public and Private Aid in 116 Urban Areas

July disbursements in 116 urban areas for payments to recipients of the special types of public assistance, public general relief, and private assistance, and for earnings of persons employed on projects operated by the Work Projects Administration totaled \$102.2 million—7.2 percent less than the sum expended in June. The costs of administering all programs and of materials, equipment, and supplies incident to the operation of work projects are excluded from the data on expenditures. Data are not available for the urban areas on earnings of persons employed on WPA-financed projects operated by other Federal agencies or other Federal work and construction projects, earnings under the program of the National Youth Administration, and earnings of enrollees in the Civilian Conservation Corps.

Total payments declined \$7.9 million from June to July, thereby continuing the downward movement which has occurred in each month since March. As in the preceding 3 months, the primary impetus to the decrease in total expenditures in July was the decline in the amount earned on WPA-operated projects. Such earnings totaled \$57.2 million or \$7.5 million less than in June. The decline of 11.5 percent in total WPA earnings in July probably reflects in part the initial impact of the requirement embodied in the 1939 Emergency Relief Appropriation Act that relief workers on WPA projects be released after 18 months' continuous employment.

The total expended for general relief by public agencies continued to decline but at a lesser rate than in April, May, or June. Disbursements in July amounted to \$25.6 million—2.3 percent less than in June. Obligations incurred for old-age

Chart I.—Public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration and under the Civil Works Program in 116 urban areas, January 1929–July 1939



†Earnings of all persons employed under the Civil Works Program, including the administrative staff.

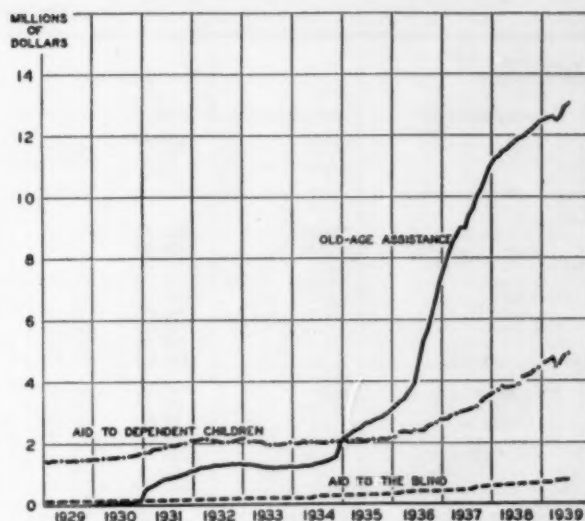
††Earnings on projects operated by the Work Projects Administration within the areas.

assistance, aid to dependent children, and aid to the blind totaled \$18.6 million or 1.0 percent above the amount spent in June. The total volume of private assistance dropped 5.4 percent.

Earnings on WPA-operated projects accounted for 56.0 percent of total disbursements in July, public general relief payments for 25.0 percent, and obligations incurred for the special types of public assistance for 18.2 percent. Private assistance comprised less than 1.0 percent of the total.

Because WPA earnings for 8 areas represent the amount earned on projects operated within the county in July 1938 and within the city in July 1939, comparable data on total payments are available for only 108 of the 116 areas. In these 108 areas total public and private assistance and WPA earnings amounted to 16.5 percent less in July 1939 than in July a year ago. This decline was attributable to a reduction of 28.2 percent in the volume of WPA earnings. Obligations incurred for the special types of public assistance totaled 12.6 percent more than in July 1938; the greatest expansion—24.3 percent—occurred in the

Chart II.—Special types of public assistance in 116 urban areas, January 1929–July 1939



amount expended for aid to dependent children. Aggregate payments for public general relief were 1.0 percent higher in July of this year.

Table 1.—Recipients of public and private assistance, amount of assistance, and earnings of persons employed on projects operated by the Work Projects Administration in 116 urban areas, July 1939

[Corrected to Sept. 20, 1939]

Type of agency	Number of cases ¹	Amount ²	Percentage change from—				Percentage distribution of amount		
			June 1939 in—		July 1938 ³ in—		July 1939	June 1939	July 1938 ⁴
			Number of cases	Amount	Number of cases	Amount			
Total.....	(⁵)	\$102,157,263		-7.2		-16.5	100.0	100.0	100.0
Public agencies.....	(⁵)	\$101,388,841		-7.2		-16.6	99.2	99.3	99.3
Agencies administering:									
General relief ⁷	934,637	25,605,814	-0.4	-2.3	+0.6	+1.0	25.0	23.8	20.5
Special types of assistance ⁸	684,582	18,609,397	+8	+1.0	+10.4	+12.6	18.2	16.8	13.5
Old-age assistance.....	541,717	13,036,663	+8	+1.1	+7.8	+9.1	12.8	11.7	9.7
Aid to dependent children ⁹	119,922	4,847,192	+6	+7	+24.3	+24.3	4.7	4.4	3.2
Aid to the blind ¹⁰	22,943	725,542	+3	+4	+7.5	+7.4	.7	.7	.6
Work Projects Administration ¹¹	(¹²)	57,173,630	(¹³)	-11.5	(¹⁴)	-28.2	56.0	58.7	65.3
Private agencies ¹¹	(⁵)	\$768,422		-5.4		-4.4	.8	.7	.7
Nonsectarian agencies.....	16,282	315,132	-4.5	-4.9	-5.5	-3.8	.3	.3	.3
Jewish agencies.....	5,920	153,134	-5.7	-7.4	-4.3	-5.7	.2	.1	.1
Catholic agencies.....	8,886	171,157	-3.4	-2.3	-7.9	-1.9	.2	.2	.2
Salvation Army.....	6,979	32,415	+9.9	+10.4	+54.2	-1.0	(¹⁵)	(¹⁵)	(¹⁵)
Other private agencies.....	6,047	96,584	-23.0	-12.6	-11.0	-9.2	.1	.1	.1

¹ Incomplete, since some agencies reporting amount of assistance did not report number of cases aided.

² Excludes cost of administration; of materials, equipment, and other items incident to operation of work programs; and of transient care.

³ Based on data for 108 areas. Comparable data are not available for 8 areas because WPA earnings relate to county in July 1938 and to city in July 1939.

⁴ Total number of cases aided by public and/or private agencies cannot be obtained by adding figures shown, since an unknown number of cases received assistance from more than 1 agency.

⁵ Includes estimates amounting to \$142,752.

⁶ Public agencies administered \$402 of private funds while private agencies administered \$4,534 of public funds, so that total amounts contributed from public and private sources, respectively, were \$101,392,973 and \$764,290.

⁷ Includes direct and work relief and statutory aid to veterans administered on basis of need.

⁸ Includes figures for areas in States with plans approved by the Social Security Board and for areas in States not participating under the Social Security Act.

⁹ Figures from the WPA, Division of Statistics; represent earnings of persons employed on projects operated by the WPA within these areas and cover all pay-roll periods ended during month. Figures are not available for these areas for earnings of persons employed on projects other than those operated by the WPA.

¹⁰ Figures not available.

¹¹ Includes direct and work relief and aid to veterans.

¹² Less than 0.1 percent.

Table 2.—Amount of public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration, by urban areas, July 1939

[Corrected to Sept. 20, 1939]

State and city	Area included	Total ¹	Public funds						Private funds ²	Percentage change in total from—	
			Total	General relief ³	Old-age assistance	Aid to dependent children ⁴	Aid to the blind ⁵	WPA earnings ⁶		June 1939	July 1938
Alabama:											
Birmingham	County	\$624, 194	\$624, 084	\$6, 232	\$21, 928	\$18, 306	\$817	\$576, 801	\$110	-6.6	+0.6
Mobile	do.	125, 959	125, 457	979	8, 480	2, 063	180	113, 755	502	+7.0	-15.4
California:											
Los Angeles	do.	5, 042, 966	5, 021, 068	* 1,816, 438	1, 729, 335	199, 933	182, 123	2, 023, 839	21, 298	+4.4	+10.7
Oakland	do.	1, 390, 012	1, 396, 503	343, 179	251, 380	49, 553	23, 078	729, 313	2, 509	+4.5	-1.3
Sacramento	do.	282, 472	280, 395	52, 139	106, 385	18, 695	7, 243	95, 933	2, 077	-3.8	+4.3
San Diego	do.	688, 013	687, 234	166, 902	214, 868	23, 141	11, 040	271, 283	* 779	+9.7	+4.4
San Francisco	do.	1, 736, 980	1, 720, 995	428, 397	319, 615	50, 447	23, 427	899, 109	15, 985	-3.7	-7.5
Colorado: Denver	do.	695, 832	693, 572	57, 770	342, 851	48, 013	3, 856	241, 082	2, 290	+3.1	-17.8
Connecticut:											
Bridgeport	City	247, 668	245, 232	* 52, 045	70, 337	5, 741	479	156, 630	2, 436	-4.7	(?)
Hartford	do.	270, 210	256, 513	* 59, 785	49, 905	6, 497	619	139, 707	* 13, 697	-	-3.2
New Britain	do.	97, 577	97, 080	* 11, 543	11, 467	2, 665	100	71, 305	497	-6.2	-13.6
New Haven	do.	295, 895	292, 142	* 71, 914	49, 589	8, 013	916	161, 680	3, 753	-7.3	(?)
Delaware: Wilmington	County	178, 666	176, 215	24, 616	17, 994	10, 011		123, 591	2, 451	-5.6	-13.5
District of Columbia: Washington	City	755, 732	741, 751	36, 995	81, 229	35, 686	5, 349	582, 492	* 13, 981	-6.9	-3.9
Florida:											
Jacksonville	County	348, 577	348, 043	6, 273	48, 359	7, 816	3, 039	282, 556	534	-7.9	+13.9
Miami	do.	169, 734	165, 401	5, 811	42, 813	10, 503	2, 670	103, 604	4, 333	-7.5	+21.6
Georgia: Atlanta	do.	590, 750	585, 414	10, 187	15, 920	15, 825	1, 523	541, 959	5, 336	-2.4	-15.9
Illinois:											
Chicago	do.	8, 400, 217	8, 336, 786	2, 519, 885	1, 076, 888	79, 354	74, 140	* 4,586, 519	63, 431	-14.6	-18.9
Springfield	do.	272, 157	270, 135	41, 626	38, 077	1, 450	3, 556	185, 426	2, 022	-3.7	+17.9
Indiana:											
Evansville	do.	370, 397	369, 757	31, 252	41, 068	20, 790	1, 589	275, 058	640	+6.6	+8.8
Fort Wayne	do.	268, 100	266, 150	21, 928	39, 212	21, 456	1, 399	182, 185	1, 950	-3.5	-12.7
Indianapolis	do.	979, 559	967, 395	100, 188	133, 656	74, 337	6, 245	652, 969	12, 164	-9	-17.4
South Bend	do.	318, 570	318, 245	48, 669	37, 220	19, 632	950	211, 774	* 325	+1.5	-16.1
Terre Haute	do.	386, 271	385, 677	13, 624	50, 656	17, 008	2, 073	302, 316	* 594	-2.8	-7.1
Iowa:											
Des Moines	do.	453, 225	452, 157	53, 372	85, 961	4, 029	4, 880	303, 915	1, 068	-8.5	-21.7
Sioux City	do.	193, 675	193, 095	43, 521	40, 416	4, 201	1, 658	98, 290	580	-6.1	+27.4
Kansas:											
Kansas City	do.	303, 793	303, 420	15, 390	24, 790	12, 383	1, 250	249, 637	373	-7.1	-6.9
Topeka	do.	103, 261	102, 116	8, 388	15, 245	7, 645	899	69, 939	1, 145	-12.9	-70.3
Wichita	do.	195, 922	195, 322	43, 141	36, 847	15, 412	1, 609	98, 313	600	-1.3	-1.4
Kentucky: Louisville	do.	315, 963	310, 484	* 17, 969	33, 294	8, 019		251, 202	* 5, 479	-4.8	-16.2
Louisiana:											
New Orleans	Parish	1, 116, 798	1, 107, 136	33, 195	61, 487	82, 234	4, 365	925, 855	* 9, 662	-7.4	-1.0
Shreveport	do.	52, 333	52, 217	7, 113	13, 566	12, 690	431	18, 447	116	+1.0	+67.2
Maine: Portland	City	88, 475	87, 667	* 15, 806	17, 396	3, 624	1, 249	49, 592	808	-10.9	(?)
Maryland: Baltimore	do.	702, 936	686, 617	149, 505	156, 346	145, 062	9, 119	226, 585	16, 319	-3.1	-12.2
Massachusetts:											
Boston	do.	3, 243, 689	3, 171, 659	432, 665	395, 179	195, 249	7, 962	2, 140, 604	* 72, 030	+18.2	+17.6
Brockton	do.	218, 048	214, 729	29, 597	55, 961	8, 656	458	120, 057	3, 319	-3.0	-16.6
Cambridge	do.	274, 784	272, 206	77, 421	41, 379	16, 735	974	135, 697	2, 578	-1.5	-1.6
Fall River	do.	279, 046	278, 875	45, 290	55, 610	11, 262	977	165, 736	171	-4.9	-26.1
Lawrence	do.	166, 461	165, 848	22, 256	44, 026	5, 229	499	93, 838	613	-6.0	-21.7
Lowell	do.	329, 040	327, 821	69, 700	64, 347	15, 554	725	187, 495	1, 219	-9	-25.6
Lynn	do.	263, 992	261, 613	* 49, 570	73, 827	10, 832	715	126, 969	2, 379	-4.1	-12.0
Malden	do.	117, 584	117, 475	40, 991	29, 868	5, 985	290	40, 371	109	+1.4	-11.8
New Bedford	do.	290, 400	288, 892	60, 501	76, 994	10, 537	881	139, 979	1, 508	-4.7	-7.5
Newton	do.	89, 093	87, 322	28, 697	17, 307	8, 290	122	32, 936	1, 771	-1.5	-12.7
Springfield	do.	349, 595	346, 937	91, 674	76, 373	21, 326	842	156, 722	* 2, 658	-23.0	-14.3
Worcester	do.	456, 876	453, 895	131, 294	87, 479	25, 985	841	208, 326	2, 981	-4.4	+1.3
Michigan:											
Detroit	County	4, 388, 841	4, 369, 079	579, 313	267, 044	358, 493	5, 243	3, 158, 986	* 19, 762	-4.7	-41.7
Flint	do.	394, 787	394, 589	49, 597	60, 073	22, 550	503	261, 866	198	-3.3	-55.7
Grand Rapids	do.	590, 247	589, 629	45, 315	109, 207	* 29, 645	1, 340	404, 122	* 618	-6.4	-28.1
Pontiac	do.	357, 452	357, 239	38, 889	51, 469	24, 074	546	242, 261	213	-9.7	-48.1
Saginaw	do.	196, 205	195, 720	19, 308	31, 605	18, 049	385	126, 373	485	-6.8	-36.4
Minnesota:											
Duluth	do.	694, 979	690, 556	136, 515	111, 851	33, 371	2, 295	406, 524	4, 423	-8.7	-10.7
Minneapolis	do.	1, 299, 126	1, 293, 058	374, 744	307, 441	51, 491	4, 574	554, 808	6, 068	-20.0	-26.0
St. Paul	do.	714, 117	709, 720	198, 043	117, 079	24, 684	2, 898	367, 016	4, 397	-15.6	-25.8
Missouri:											
Kansas City	do.	843, 962	834, 187	* 78, 303	160, 304	8, 239	¹⁰ 10, 675	576, 666	* 9, 775	-8.7	-15.3
St. Louis	City and county	1, 724, 259	1, 705, 755	118, 349	207, 362	35, 901	¹⁰ 17, 173	1, 326, 968	18, 504	-4.9	-29.5
Nebraska: Omaha	County	531, 376	524, 704	8, 113	75, 597	32, 905	2, 340	405, 749	* 6, 672	-6.7	-25.8
New Jersey:											
Jersey City	City	877, 210	876, 708	148, 415	26, 553	23, 883	1, 121	* 676, 736	502	-7.1	-21.9
Newark	do.	1, 471, 757	1, 468, 858	466, 145	59, 122	61, 298	2, 025	* 880, 278	2, 899	-5.7	-18.1
Trenton	do.	272, 615	271, 269	53, 565	17, 030	13, 880	668	* 186, 126	1, 346	-6.0	-30.3

See footnotes at end of table.

Table 2.—Amount of public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration, by urban areas, July 1939—Continued

[Corrected to Sept. 20, 1939]

State and city	Area included	Total ¹	Public funds						Private funds ²	Percentage change in total from—	
			Total	General relief ³	Old-age assistance	Aid to dependent children ⁴	Aid to the blind ⁵	WPA earnings ⁶		June 1939	July 1938
New York:											
Albany	City	\$147,041	\$145,377	\$35,205	\$13,810	\$4,450	\$631	\$91,281	\$1,664	-8.6	(7)
Buffalo	County	1,490,276	1,478,320	718,696	90,993	60,655	2,598	605,078	11,956	-9.4	-6.3
New Rochelle	City	93,254	92,822	53,592	10,648	9,196	29	19,357	432	+4.3	-7.7
New York	do	19,762,514	19,591,950	6,781,941	1,307,822	1,276,838	39,811	10,185,538	* 170,564	-7.2	-11.9
Niagara Falls	do	112,408	111,769	42,784	7,968	6,801	108	54,088	639	+8.6	(7)
Rochester	County	586,763	584,427	312,399	101,881	37,409	2,270	130,468	2,336	-7.2	-17.0
Syracuse	City	488,831	484,976	217,929	64,025	20,930	970	181,122	3,855	-8.1	(7)
Utica	do	160,499	158,381	42,855	33,122	13,563	324	68,987	* 2,118	-8.3	-17.3
Yonkers	do	272,260	271,372	83,567	20,181	19,550	386	147,688	888	-2.2	-12.2
North Carolina:											
Asheville	County	125,933	125,933	3,270	11,887	4,569	885	105,332	631	-2.0	+9.1
Charlotte	do	95,140	94,509	4,784	16,272	6,651	1,392	65,410	88	-7	+9.9
Greensboro	do	90,551	90,493	2,532	16,275	6,001	1,245	63,820	9,861	-1.9	+11.2
Winston-Salem	do	120,408	110,547	1,118	13,664	5,737	933	89,095	2,472	-16.7	-26.5
Ohio:											
Akron	do	927,344	924,872	87,877	77,975	15,970	1,895	741,155	87	-20.1	-33.4
Canton	do	402,937	402,850	47,134	79,756	12,450	1,993	261,617	15,051	-11.8	-18.3
Cincinnati	do	1,135,245	1,120,194	216,198	186,514	30,393	8,135	681,695	37,793	-19.3	-34.5
Cleveland	do	3,568,538	3,530,745	556,230	108,129	17,256	6,183	2,629,096	1,433	-22.1	-15.2
Columbus	do	790,587	789,154	93,170	155,675	14,288	2,598	516,870	1,583	-5.6	-24.4
Dayton	do	548,273	546,690	106,529	111,705	4,235	1,363	311,570	410	-20.1	-44.8
Springfield	do	174,002	174,002	9,820	54,034	15,540	4,248	104,550	228	+2.6	-27.8
Toledo	do	938,435	938,435	175,100	127,613	10,958	3,206	615,934	5,304	-7	-8.5
Youngstown	do	526,976	526,748	58,336	48,894	16,236	2,420	405,354	1,272	-2.8	-2.2
Oklahoma: Tulsa	do	223,184	217,880	6,901	82,782	20,752	4,945	109,541	701	-8.4	-29.4
Oregon: Portland	do	653,173	651,901	69,601	166,244	20,752	4,945	390,359	82	-10.7	-27.8
Pennsylvania:											
Allentown	do	256,987	256,286	46,424	21,011	9,233	5,439	174,179	806	+2.0	-15.4
Altoona	do	314,822	314,770	102,182	30,545	18,043	6,024	157,976	* 1,148	+9	-16.1
Bethlehem	do	309,779	308,971	41,447	21,637	12,212	5,510	228,165	23	-3.7	-21.2
Chester	do	310,371	309,223	62,558	31,496	16,583	7,267	191,319	216	-4.9	-14.2
Erie	do	387,490	387,467	107,764	45,117	16,890	7,780	209,946	* 39,206	-6.9	-6.9
Johnstown	do	514,986	514,770	132,294	36,228	30,587	7,316	308,345	* 19,819	-10.1	-23.8
Philadelphia	do	4,219,882	4,180,676	2,238,821	357,037	303,313	60,212	1,212,293	1,315	-24.0	-33.0
Pittsburgh	do	3,398,664	3,378,845	1,512,537	232,868	159,669	36,995	1,436,776	* 2,931	-18.9	-36.2
Reading	do	327,118	325,803	117,300	36,019	11,638	9,000	151,846	1,445	-1.8	-28.8
Scranton	do	817,216	814,285	366,643	51,456	35,675	10,522	349,969	5,643	-1.1	(7)
Wilkes-Barre	do	1,174,077	1,172,632	501,286	53,081	43,802	13,680	560,783	384	-4.1	+15.0
Rhode Island: Providence	City	440,441	434,798	128,332	55,544	20,598	391	228,933	365	-8.6	-6
South Carolina: Charleston	County	163,377	162,903	2,884	12,623	5,654	786	141,046	2,567	-2.6	+29.0
Tennessee:											
Knoxville	do	152,669	152,304	3,398	14,293	15,263	701	118,649	799	+4	+24.9
Memphis	do	304,354	301,787	5,071	36,444	19,229	3,084	237,959	3,417	+2.5	+1.5
Nashville	do	217,184	216,385	2,491	27,304	16,919	1,896	167,775	347	-5.7	+30.4
Texas:											
Dallas	do	335,567	332,150	14,504	91,334	847	225,465	3,417	355	+1.2	+14.9
El Paso	do	86,926	86,579	13,042	71,049	80,100	221,639	3,111	4,617	+7	+28.9
Fort Worth	do	341,988	341,633	20,808	71,049	80,100	221,639	3,111	4,617	+7	+28.9
Houston	do	327,458	324,347	22,608	89,177	39,367	1,386	246,884	11,613	-3.4	-5.8
San Antonio	do	320,678	316,061	55,576	96,831	39,367	1,386	246,884	11,613	-3.4	-5.8
Utah: Salt Lake City	do	409,171	407,558	55,576	96,831	39,367	1,386	246,884	11,613	-3.4	-5.8
Virginia:											
Norfolk	City	77,122	76,437	5,060	7,930	1,600	773	61,074	685	-6.6	+4
Richmond	do	160,748	154,169	20,082	10,502	1,325	851	121,409	6,579	-1.4	+17.8
Roanoke	do	31,323	31,323	2,106	3,964	780	337	24,136	24	-4.2	-1.6
Washington:											
Seattle	County	836,040	830,195	110,380	235,504	32,383	7,779	444,149	5,845	-4.8	-24.9
Tacoma	do	371,105	371,105	27,385	100,625	18,330	2,589	222,176	870	-3.7	-22.7
West Virginia: Huntington	do	178,573	177,703	3,933	11,008	6,429	754	155,579	870	-3.7	-22.7
Wisconsin:											
Kenosha	do	195,591	195,361	28,863	22,881	16,275	1,444	125,898	230	-14.1	-30.5
Madison	do	261,699	261,251	24,619	45,038	22,325	1,046	168,223	418	-5.1	+21.3
Milwaukee	do	1,874,099	1,864,380	425,833	194,544	97,467	8,984	1,137,552	9,719	-15.7	-18.8
Racine	do	197,376	195,961	44,652	26,139	19,372	819	104,979	1,415	-16.0	-2.0

¹ Excludes cost of administration; of materials, equipment, and other items incident to operation of work programs; and of transient care.

² Includes direct and work relief and statutory aid to veterans administered on basis of need.

³ Includes figures for areas in States with plans approved by the Social Security Board and for areas in States not participating under the Social Security Act.

⁴ Figures from the WPA, Division of Statistics; represent earnings of persons employed on projects operated by the WPA within these areas and cover all pay-roll periods ended during month. Figures are not available

for these areas for earnings of persons employed on projects other than those operated by the WPA.

⁵ Includes direct and work relief and aid to veterans.

⁶ Includes estimate.

⁷ Comparable data not available because WPA earnings relate to county in July 1938, and to city in July 1939.

⁸ Relates to city.

⁹ Relates to county.

¹⁰ Estimated.

¹¹ Incomplete, since figures are not obtainable for 1 relief program.

General Relief Operations of Public Agencies in Selected Large Cities, August 1939

Reports on general relief operations during August were received from 19 cities, including all cities with populations of more than 400,000 in 1930 and Rochester, N. Y., which is somewhat smaller. New Orleans reported for the first time.

Cases Aided and Amount of Relief

During August in these 19 cities, a total of 638,000 cases were aided and \$19.5 million was expended for relief. The number of cases receiving relief in the 18 cities reporting data for both July and August increased less than 1 percent and the amount expended increased almost 3 percent.

In 11 cities more cases received relief in August than in the previous month, as shown in table 3. Increases of 10 percent or more were reported for Baltimore, Cleveland, Detroit, and Rochester. Of the 7 cities in which fewer cases were aided than in July, St. Louis reported the largest decrease, 8 percent.

Expenditures for relief during August were larger than in July in 13 cities. The increases amounted to more than 20 percent in Cleveland, Detroit, and Rochester, and were less than 5 percent in only 2 cities—Cincinnati and the District of Columbia. In Chicago there was an increase

of 8 percent in expenditures, although as in July payments were limited to 65 percent of the standard budget because of shortage of funds. Decreases were reported by 5 cities; the largest decline—9 percent—was in New York.

Data from which it was possible to compute the average amount of relief per family and per single-person case were available for 15 cities. The average amounts per family case in August varied from \$45.00 in San Francisco to \$20.59 in St. Louis; in the majority of cities they were between \$30 and \$40. The largest average payment per single-person case was \$25.51 in New York, and the smallest, \$7.17 in St. Louis. The average payment per single-person case amounted to more than \$15 in all cities except Milwaukee and St. Louis. The averages do not necessarily reflect the relative adequacy of relief in the different cities, and many factors affecting their comparability must be taken into consideration in their interpretation.

General Relief in Addition to Other Types of Income

Available data, presented in table 4, show the extent to which general relief was given in addition to income from other specified sources. General relief was granted to supplement insufficient earnings from regular employment in almost

Table 3.—Number of cases receiving general relief, amount of relief, and average amount per family and single-person case in selected cities, August 1939

City	Number of cases receiving relief	Amount of relief ¹	Average amount		Percentage change from July 1939 in—	
			Per family case	Per single-person case	Number of cases	Amount of relief
Baltimore.....	6,637	\$162,218	(7)	(7)	+10.0	+12.2
Boston.....	16,379	451,227	\$32.18	\$20.00	+6.3	+17.9
Buffalo.....	18,133	592,944	37.41	18.70	-2.4	-4
Chicago.....	109,001	2,441,821	(7)	(7)	-1.6	+7.5
Cincinnati.....	8,723	186,628	22.99	16.43	+8.1	+3.4
Cleveland.....	24,578	642,493	32.52	17.11	+21.6	+36.5
Detroit.....	17,915	620,722	38.74	18.06	+11.8	+28.8
District of Columbia ²	1,489	37,572	31.45	18.84	+2.3	+2.9
Los Angeles ³	53,278	1,695,605	40.93	16.54	+5.4	-6.6
Milwaukee ⁴	20,031	503,559	31.81	12.35	-1.6	+11.7
Minneapolis.....	12,885	372,413	34.06	20.22	+2.7	+6.9
Newark.....	14,996	437,594	34.78	19.48	-1.2	-8
New Orleans ⁵	1,779	32,209	23.66	15.03	(7)	(7)
New York.....	164,989	6,171,565	44.08	25.51	-4.2	-9.0
Philadelphia.....	79,006	2,505,159	(7)	(7)	+1.8	+12.1
Pittsburgh ⁶	57,218	1,750,991	(7)	(7)	+2.6	+16.1
Rochester.....	9,294	341,125	40.80	17.29	+10.1	+21.3
St. Louis.....	7,571	120,272	20.59	7.17	-8.2	+10.6
San Francisco ⁷	14,367	416,800	45.00	19.60	-1.0	-2.7

¹ Excludes cost of administration; of materials, equipment, and other items incident to operation of work programs; and of special programs, hospitalization, and burials.

² Not available.

³ Includes cases receiving aid from special departments: Transportation Service, 779 cases, \$14,622; Children's and Minors' Service, 2,309 cases, \$54,962; Nursing Home Service, number of cases not available, \$1,460; and Shelter Division, 2,406 cases, \$12,170.

⁴ Accepts only unemployable cases.

⁵ Includes figures for entire county in which city is located.

⁶ Figures represent combined reports of 2 agencies—1 administering relief to employable cases and 1 relief to unemployable cases.

⁷ Includes \$22,116 which covered cost of operating a commissary.

⁸ Figures for July not available.

⁹ Includes duplications, since in some cases relief was granted more than once during month.

Table 4.—General relief cases in households receiving other types of income or assistance in selected cities, August 1939

City	Number of cases receiving relief	Percent of general relief cases in households receiving 1—				
		Unemployment benefits	Earnings from regular employment	WPA earnings	Old-age assistance	Aid to dependent children
Baltimore.....	6,637	0.6	0.4	1.5	32.0	
Buffalo.....	18,135	.9	7.9	5.3	2.6	1.4
Chicago.....	109,001	(²)	(²)	.3	2.3	.1
Cincinnati.....	8,723	.4	4.3	1.2	2.6	.6
Cleveland.....	24,578	.4	4.5	6.5	.2	(²)
Detroit.....	17,915	1.3	5.9	6.7	3.4	
District of Columbia ³	1,489				6.0	
Los Angeles ⁴	63,278	.8	(²)	7.7	(²)	(²)
Milwaukee ⁵	20,031	.9	5.3	9.4	1.5	.2
Minneapolis.....	12,885	.4	2.8	16.5	4.9	4.5
Newark.....	14,996	1.5	22.7	3.7		
New Orleans ⁶	1,779		.1	2.9	1.3	.8
New York.....	164,989	.5	(²)	3.2	2.7	1.7
Philadelphia.....	79,006	.7	(²)	.9	(²)	(²)
Pittsburgh ⁷	57,218	1.0	(²)	1.7	(²)	(²)
Rochester.....	9,294	.7	12.1	6.2	5.1	2.8
San Francisco ⁸	14,367	.6	(²)	1.1	(²)	(²)

¹ Figures on number of general relief cases which also received aid to the blind are available for 8 cities. Such cases amount to 0.5 percent of cases receiving relief in the District of Columbia; 0.2 percent in Cincinnati and Rochester; and 0.1 percent in Baltimore, Buffalo, Cleveland, Milwaukee, and New Orleans.

² Not available.

³ Less than 0.1 percent.

⁴ Accepts only unemployable cases.

⁵ Includes figures for entire county in which city is located.

⁶ Figures represent combined reports of 2 agencies—1 administering relief to employable cases and 1 relief to unemployable cases.

⁷ Base is number of cases open on last day of month rather than figures shown in first column of this table.

23 percent of the cases in Newark and in 12 percent of the cases in Rochester. In 17 and 9 percent of the cases in Minneapolis and Milwaukee, respectively, relief supplemented WPA earnings. In 32 percent of the cases in Baltimore, where there is a legal limitation on the amount which may be granted to a family for aid to dependent children, general relief supplemented such grants.

Case Turn-Over

Only three cities opened fewer cases in August than in July. Notable increases of approximately 125 percent in the number of openings were reported by Buffalo, Cincinnati, and Cleveland. Thirteen cities closed more cases than in the previous month. The increase of 644 percent in the number of closings in St. Louis was caused almost entirely by a shortage of relief funds which necessitated closing all cases classed as employable.

Accession and separation rates for August are shown in tables 5 and 6. These rates represent the number of openings and the number of closings as a percent of the average number of cases open at the beginning and end of the month. Accession

rates ranged between 23 per 100 open cases in San Francisco and 2 in New Orleans. Separation rates ranged from 29 in St. Louis to 3 in Cleveland. In 12 cities accession rates were higher than separation rates. Turn-over as measured by both accession and separation rates was relatively low in Chicago, the District of Columbia, Newark, New Orleans, and Philadelphia, where accession and separation rates were less than 10. San Francisco was the only city for which both accession and separation rates were more than 20.

Effect of WPA Employment on Case Load

In 12 cities more cases were added to the relief rolls in August following termination of WPA employment than were closed in that month because of placement on WPA projects. In Buffalo, Cincinnati, Cleveland, Detroit, and Milwaukee, the rate of accessions resulting from loss of WPA employment ranged from 6 to 12. The rate of separations because of receipt of employment on WPA projects was less than 2 in these cities. In New York, on the other hand, an accession rate of 3 was accompanied by a separation rate of 14.

Fifteen cities reported loss of WPA employment as the reason for more than 20 percent of the openings in August. In Buffalo, Chicago,

Table 5.—Reasons for opening general relief cases in selected cities, August 1939

City	Number of cases opened	Accession rate ¹	Percent opened for specified reason			
			Cessation of unemployment benefits	Loss of regular employment	Loss of WPA employment	All other reasons
Baltimore.....	1,087	18.5	0.5	12.9	23.3	63.3
Boston.....	2,098	14.3	1.1	27.5	45.9	25.5
Buffalo.....	2,096	11.9	4.7	25.8	53.4	16.1
Chicago.....	6,260	5.5	(²)	19.7	56.7	23.6
Cincinnati.....	1,504	16.8	1.7	7.2	46.6	44.5
Cleveland.....	4,955	21.2	1.8	4.9	55.1	38.2
Detroit.....	3,619	21.6	8.8	21.6	36.2	33.4
District of Columbia ³	133	8.1				100.0
Los Angeles ⁴	8,298	17.5	4.0	23.8	39.3	32.9
Milwaukee ⁵	3,786	21.2	1.8	17.4	41.7	39.1
Minneapolis.....	1,527	(²)	2.0	25.7	42.3	30.0
Newark.....	844	5.8	5.4	44.0	9.1	41.5
New Orleans ⁶	38	2.1				100.0
New York.....	10,691	7.0	6.5	16.5	39.3	37.7
Philadelphia.....	6,498	8.8	7.0	30.0	35.3	27.7
Pittsburgh ⁷	5,533	10.5	14.6	21.2	42.9	21.3
Rochester.....	999	10.2	4.0	25.0	51.1	19.9
St. Louis.....	209	2.9		1.4	.5	98.1
San Francisco ⁸	3,000	22.8	5.0	(²)	21.6	(²)

¹ Cases opened as a percent of average number of cases open at beginning and end of month.

² Less than 0.1 percent.

³ Accepts only unemployable cases.

⁴ Includes figures for entire county in which city is located.

⁵ Figures represent combined reports of 2 agencies—1 administering relief to employable cases and 1 relief to unemployable cases.

⁶ Not available.

Cleveland, and Rochester this reason accounted for between 50 and 60 percent of the openings. Transfer to WPA employment was responsible for more than 30 percent of the closings in Baltimore, Boston, Los Angeles, and San Francisco, and for 75 percent of the closings in New York.

Effect of Regular Employment on Case Load

In 10 cities there was a net decrease in the case load in August because more cases were closed when regular employment was obtained than were opened on loss of such employment. The decreases amounted to 1,300 cases in Chicago, 1,000 in New York, 700 in Pittsburgh, and 300 in Philadelphia. In these cities accession rates of less than 3 were accompanied by separation rates of less than 4. Of the other 6 cities the decreases exceeded 100 only in Rochester. Net increases because openings on loss of regular employment exceeded closings when employment was obtained were slight in all instances except in Los Angeles, where an accession rate of 4 and a separation rate of 3 resulted in a net increase in case load of 600. In other cities the net increases amounted to less than 75 cases.

Loss of regular employment was responsible for 44 percent of the openings in Newark and for between 20 and 30 percent of the openings in eight other cities. Obtaining regular employment ac-

counted for 53 percent of the closings in Rochester, 42 to 45 percent in Boston, Buffalo, and Newark, and less than 20 percent in only six cities.

Effect of Unemployment Benefits on Case Load

Eleven cities reported more cases opened in August because of cessation of benefits than were closed that month because of receipt of benefits. In all these cities the actual net changes were slight, amounting to more than 100 cases in Los Angeles and New York only. Net decreases resulting from the payment of unemployment compensation were less than 200 cases in six cities but amounted to nearly 1,700 cases in Chicago. Since unemployment benefits were first payable in July in Illinois, August represents the first month in which a substantial number of benefits could have been paid in Chicago and relatively few beneficiaries could have exhausted their benefit rights during this period.

In August cessation of unemployment benefits was reported as the reason for 15 percent of the openings in Pittsburgh, for from 7 to 9 percent of the openings in Detroit and Philadelphia, and for less than 7 percent of the openings in other cities. Receipt of unemployment benefits accounted for 23 percent of the closings in Detroit, 17 percent in Chicago, 15 percent in Pittsburgh, and less than 10 percent in the other cities.

Table 6.—Reasons for closing general relief cases in selected cities, August 1939

City	Number of cases closed	Separation rate ¹	Percent closed for specified reason						All other reasons
			Transferral to—			Relief no longer needed			
			WPA	Special types of public assistance	Other relief status	Unemployment benefits received	Regular employment obtained	Increased earnings or income	
Baltimore.....	829	14.1	31.8	3.0	0.5	0.6	8.0	4.7	51.4
Boston.....	1,247	8.5	38.0	4.8	3.5	2.1	41.8	1.3	8.5
Buffalo.....	1,146	6.5	12.0	1.7	3.0	6.5	44.4	14.6	17.8
Chicago.....	9,559	8.4	15.9	1.8	.3	17.3	26.8	6.6	31.3
Cincinnati.....	738	8.2	7.7	5.4	4.5	2.2	24.9	14.1	41.2
Cleveland.....	602	2.6	14.5	7.0	7.8	4.3	35.5	1.0	29.9
Detroit.....	2,111	12.6	10.3	3.4	.1	22.8	36.4	3.4	23.6
District of Columbia ²	137	8.4	6.6	21.9	.7	.....	11.7	9.5	49.6
Los Angeles ³	6,167	13.0	33.6	6.2	1.4	2.5	22.1	3.0	31.2
Milwaukee ⁴	2,541	14.3	11.2	2.4	1.3	2.0	25.8	4.8	52.5
Minneapolis.....	1,189	(⁵)	15.5	3.0	.4	2.9	27.9	4.5	45.8
Newark.....	1,068	7.3	12.8	(⁵)	(⁵)	3.0	42.3	(⁵)	(⁵)
New Orleans ²	72	4.0	4.2	51.4	.....	6.9	1.4	.....	36.1
New York.....	28,539	18.6	75.0	2.4	1.0	1.2	9.7	3.4	7.3
Philadelphia.....	5,976	8.1	15.5	6.7	(⁵)	8.6	37.5	7.6	(⁵)
Pittsburgh ⁴	5,175	9.8	17.3	5.5	(⁵)	14.6	35.8	8.2	(⁵)
Rochester.....	661	6.9	12.7	5.0	.6	3.2	52.7	16.6	9.2
St. Louis.....	2,062	28.5	7.1	1.2	.5	.2	3.5	1.0	86.5
San Francisco ²	2,647	20.1	36.1	2.6	4.1	2.3	19.7	1.9	33.3

¹ Cases closed as a percent of average number of cases open at beginning and end of month.

² Includes cases transferred to the NYA and CCC.

³ Accepts only unemployable cases.

⁴ Includes figures for entire county in which city is located.

⁵ Figures represent combined reports of 2 agencies—1 administering relief of employable cases and 1 relief to unemployable cases.

⁶ Not available.

⁷ Includes cases transferred to the NYA.

OLD-AGE INSURANCE

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE • ANALYSIS DIVISION

IN COOPERATION WITH

BUREAU OF RESEARCH AND STATISTICS • DIVISION OF OLD-AGE BENEFITS RESEARCH

Employee Accounts Established in Baltimore

As of August 31, a cumulative net total of 45.7 million employee accounts had been established with the Board in Baltimore. The number of new accounts established in August was 548,840, the largest for any month since August 1938. The increase was chiefly the result of a concentration of applications for account numbers before July 31, the last day for filing tax returns for the second reporting period of 1939. Since such returns must carry employee account numbers, many employees not previously in covered employment undoubtedly waited until this time to apply for account numbers. Another factor is the continued employment increase in August, a large part of which was seasonal.

A total of only 4,931 accounts canceled and account numbers voided was reported in August. This number is the smallest reported for any month in 1938 or 1939 and was the result of internal operating procedures, in that other work took temporary precedence over that of locating and correcting instances in which more than one account number was held by the same individual.

Claims for Lump-Sum Payments

Because the proposed amendments to the Social Security Act provided that no claims for lump-sum payments at age 65 could be paid after the date of approval of the amendments, Bureau field offices had for several weeks before the date of approval (August 10, 1939) suggested to claimants that they refrain from initiating such claims. Through August 10, 1939, only 1,072 claims at age 65 were received in Washington, and only 1,499 were certified.

Claims development activities in the Bureau during August were concerned mainly with death claims. A total of 9,103 claims at death were received and 9,447 certified, as compared with 8,859 received and 8,332 certified in July. The average lump-sum payment at death certified in August was \$86.35 as compared with \$84.38 in July. Average death payments in individual

States ranged from \$45.20 for 221 claims in Georgia to \$125.25 for 10 claims in Nevada.

In anticipation of the payment of monthly benefits in January 1940, the Bureau has started to review all claims that have been paid to persons

Table 1.—Employee accounts established in Baltimore, by regions and States in which account numbers were issued, August 1939¹

Region ² and State	Employee accounts established		
	August		Cumulative through August ³
	Total	Net ³	
Total.....	548,840	543,909	45,698,264
Region I: Connecticut.....	6,126	5,670	718,141
Maine.....	4,405	4,207	307,891
Massachusetts.....	15,066	14,037	1,798,982
New Hampshire.....	2,347	2,232	195,764
Rhode Island.....	3,257	3,109	317,825
Vermont.....	1,563	1,522	108,654
Region II: New York.....	57,773	57,773	6,084,121
Region III: Delaware.....	1,579	1,579	104,904
New Jersey.....	18,754	18,754	1,672,374
Pennsylvania.....	35,146	35,146	3,767,589
Region IV: District of Columbia.....	3,149	3,149	292,165
Maryland.....	9,722	9,722	648,060
North Carolina.....	19,198	19,198	933,157
Virginia.....	11,759	11,759	736,893
West Virginia.....	6,042	6,042	595,764
Region V: Kentucky.....	10,045	10,045	723,434
Michigan.....	18,750	18,750	2,055,084
Ohio.....	24,781	24,781	2,679,819
Region VI: Illinois.....	32,373	31,031	3,164,639
Indiana.....	13,296	13,010	1,202,868
Wisconsin.....	8,595	8,253	912,987
Region VII: Alabama.....	11,442	11,442	667,220
Florida.....	9,254	9,254	686,719
Georgia.....	18,995	18,995	800,713
Mississippi.....	10,645	10,645	392,406
South Carolina.....	9,521	9,521	507,395
Tennessee.....	12,004	12,004	767,184
Region VIII: Iowa.....	7,899	7,899	594,789
Minnesota.....	9,033	9,033	783,591
Nebraska.....	5,466	5,466	324,351
North Dakota.....	1,796	1,796	113,664
South Dakota.....	1,590	1,590	127,184
Region IX: Arkansas.....	9,678	9,678	369,232
Kansas.....	6,137	6,137	477,440
Missouri.....	13,703	13,703	1,262,585
Oklahoma.....	8,317	8,317	636,960
Region X: Louisiana.....	10,103	10,103	669,466
New Mexico.....	3,303	3,303	127,416
Texas.....	24,450	24,450	1,968,179
Region XI: Arizona.....	2,019	2,019	169,192
Colorado.....	4,503	4,503	390,741
Idaho.....	2,324	2,324	158,922
Montana.....	2,545	2,545	179,857
Utah.....	2,632	2,632	173,660
Wyoming.....	1,009	1,009	75,388
Region XII: California.....	40,331	39,874	2,032,414
Nevada.....	833	827	45,419
Oregon.....	5,649	5,615	388,219
Washington.....	7,668	7,278	639,283
Territories: Alaska.....	852	847	23,232
Hawaii.....	1,743	1,661	154,328

¹ Neither the monthly nor the cumulative total of accounts established should be taken as a measure of the number of persons engaged in employment covered by title II, since account numbers are issued to some persons who are not in such employment.

² Social Security Board administrative regions.

³ Represents total less cancellations and voids plus reinstatements.

Source: Bureau of Old-Age and Survivors Insurance, Baltimore Accounting Division.

at age 65 to determine the possible rights of these persons to old-age and survivors benefits under the amendments. It is especially important that individuals who rendered services in covered

employment in 1939 after the attainment of age 65 be informed that wages paid for such services are taxable and will be counted in determining entitlement to monthly benefits.

Table 2.—Claims for lump-sum payments: Number received in Washington, and number and amount certified by the Social Security Board to the Secretary of the Treasury, by regions and States, August 1939¹

Region ² and State	Total claims				Claims for payments at age 65				Claims for death payments			
	Number		Amount certified		Number		Amount certified		Number		Amount certified	
	Received	Certified	Total	Average	Received	Certified	Total	Average	Received	Certified	Total	Average
Cumulative through August.	424,071	408,362	\$22,505,990	\$55.11	184,354	178,585	\$9,931,474	\$55.61	239,717	229,777	\$12,574,516	\$54.72
Total for August.	10,175	10,946	952,771	87.04	1,072	1,499	137,026	91.41	9,103	9,447	815,745	86.35
Region I:												
Connecticut.....	171	169	19,238	113.83	37	31	3,140	101.28	134	138	16,098	116.66
Maine.....	52	73	5,637	77.22	0	11	968	88.00	52	62	4,669	75.31
Massachusetts.....	377	420	39,166	93.25	54	90	8,880	98.66	323	330	30,286	91.78
New Hampshire.....	25	33	2,599	78.77	0	10	905	90.57	25	23	1,604	73.64
Rhode Island.....	70	91	8,952	98.37	5	26	2,517	96.81	65	65	6,435	99.00
Vermont.....	33	33	2,547	77.17	7	5	384	76.79	26	28	2,163	77.24
Region II:												
New York.....	1,233	1,301	139,421	107.16	171	210	23,606	112.41	1,062	1,091	115,815	106.16
Region III:												
Delaware.....	21	18	1,810	100.55	0	3	430	143.28	21	15	1,380	92.00
New Jersey.....	414	468	48,759	104.19	37	89	9,747	109.52	377	379	39,012	102.43
Pennsylvania.....	1,005	1,087	102,322	94.13	148	173	16,429	94.07	857	914	85,893	93.67
Region IV:												
District of Columbia.....	61	64	5,238	81.84	8	7	883	126.18	53	57	4,355	76.40
Maryland.....	153	178	14,322	80.46	6	15	952	63.45	147	163	13,370	82.02
North Carolina.....	245	214	13,416	62.69	34	19	1,242	65.39	211	195	12,174	62.43
Virginia.....	164	197	12,968	65.83	15	32	2,415	75.46	149	165	10,553	63.96
West Virginia.....	185	138	10,527	76.29	34	18	1,194	66.33	151	120	9,333	77.78
Region V:												
Kentucky.....	166	206	13,708	66.54	1	17	2,139	125.85	165	189	11,569	61.21
Michigan.....	373	456	46,131	101.16	38	56	5,601	100.01	335	400	40,530	101.33
Ohio.....	667	741	70,149	94.67	101	121	12,141	100.34	566	620	58,008	93.56
Region VI:												
Illinois.....	753	863	83,364	96.60	7	77	7,157	92.95	746	786	76,207	96.96
Indiana.....	267	307	24,147	78.66	13	45	2,840	63.12	254	262	21,307	81.32
Wisconsin.....	183	210	19,794	94.26	22	36	2,689	74.68	161	174	17,105	98.31
Region VII:												
Alabama.....	185	187	9,450	50.54	11	14	692	49.40	174	173	8,758	50.63
Florida.....	157	182	10,087	55.42	18	21	1,286	61.21	139	161	8,801	64.66
Georgia.....	216	236	10,546	44.69	6	15	558	37.23	210	221	9,988	45.20
Mississippi.....	82	85	3,722	43.79	0	5	31	6.20	82	80	3,691	46.14
South Carolina.....	146	148	6,953	46.98	7	12	591	49.23	139	136	6,362	46.78
Tennessee.....	170	181	10,159	56.13	4	17	1,547	91.01	166	164	8,612	52.51
Region VIII:												
Iowa.....	151	147	11,017	74.94	14	15	508	33.85	137	132	10,509	79.51
Minnesota.....	154	174	15,656	89.98	22	30	3,672	122.42	132	144	11,984	83.22
Nebraska.....	69	69	4,258	61.71	30	15	870	57.97	39	54	3,388	62.75
North Dakota.....	11	12	907	75.61	3	1	67	67.83	8	11	840	76.31
South Dakota.....	16	23	1,202	52.26	4	6	368	61.28	12	17	834	49.07
Region IX:												
Arkansas.....	98	81	3,825	47.22	14	6	198	33.00	84	75	3,627	48.35
Kansas.....	102	91	6,507	71.50	26	14	859	61.34	76	77	5,648	73.35
Missouri.....	258	341	28,889	84.72	17	62	5,380	86.78	241	279	23,509	84.26
Oklahoma.....	116	131	11,262	85.97	0	13	862	66.31	116	118	10,400	88.14
Region X:												
Louisiana.....	137	135	8,253	61.13	0	13	1,133	87.11	137	122	7,120	58.36
New Mexico.....	29	15	1,202	84.10	4	2	303	151.56	25	13	959	73.72
Texas.....	297	301	18,117	60.19	0	17	783	46.08	297	284	17,334	61.03
Region XI:												
Arizona.....	40	38	2,232	58.73	0	4	345	86.14	40	34	1,887	55.50
Colorado.....	92	98	8,356	85.26	28	15	1,532	102.13	64	83	6,824	82.21
Idaho.....	23	23	2,286	99.40	5	5	153	30.67	18	18	2,133	118.49
Montana.....	36	44	3,437	78.11	0	6	487	81.07	36	38	2,950	77.64
Utah.....	35	37	3,402	91.95	2	2	120	59.97	33	35	3,282	93.78
Wyoming.....	15	12	1,078	89.87	0	0	0	0	15	12	1,078	89.87
Region XII:												
California.....	651	607	60,842	100.23	102	63	6,059	95.17	549	544	54,783	100.70
Nevada.....	9	10	1,252	125.25	0	0	0	0	9	10	1,252	125.25
Oregon.....	66	68	5,619	82.63	0	4	306	76.62	66	64	5,313	83.01
Washington.....	129	141	13,516	95.86	0	18	1,524	84.66	129	123	11,992	97.49
Territories:												
Alaska.....	1	4	376	94.03	0	1	188	188.08	1	3	188	62.68
Hawaii.....	44	41	2,876	70.14	16	10	258	25.81	28	31	2,618	84.44
Foreign ³	22	17	1,212	71.29	1	2	87	43.52	21	15	1,125	75.00

¹ All claims received to date have been for lump-sum payments amounting to 3½ percent of total taxable wages.

² Social Security Board administrative regions.

³ Claims received from persons in foreign countries.

Source: Bureau of Old-Age and Survivors Insurance, Administrative Division.

Wage Records

A total of 16.1 million wage items for the second quarter of 1939 had been received in Baltimore as of August 31. As of the same date, 121.0 million wage items, or approximately 80 percent of the total number included in the 1938 accounting period, had been posted.

During August 17,287 requests for statements of earnings were received in Baltimore, bringing the cumulative total of requests to 120,045 as of August 31. In response to these requests 103,791 statements of earnings had been forwarded. The number of requests received in August increased sharply over the number received in July and the preceding months of 1939 and was the largest since January 1938. This increase was probably due to the announcement that statements of 1938 taxable earnings are available and to interest occasioned by enactment of the amendments.

Operations Under the Railroad Retirement Act

Total benefit payments under the Railroad Retirement Act certified to the Secretary of the Treasury during August were \$9.1 million (table 3). The monthly figure of certifications, which includes retroactive payments and excludes canceled payments, has remained fairly constant since December 1938, varying within a range of less than \$225,000. In the meantime, the monthly amount payable on all annuities and pensions, which excludes retroactive payments, rose from \$7.7 million as of December 31, 1938, to \$8.4 million as of August 31, 1939 (table 4). The tendency continued for the amount of retroactive payments to decrease and for the figures of total payments and of monthly amounts payable to come closer together.

Table 3.—Railroad Retirement Board: Total amount of benefit payments certified to the Secretary of the Treasury, by class of payment, by fiscal years, 1936-40, and by months, July 1938-August 1939¹

Fiscal year and month	Total payments ²	Employee annuities ³	Survivor annuities ⁴	Death-benefit annuities ⁵	Lump-sum death benefits ⁶	Permanent pensions ⁷
Cumulative through August 1939.....	\$212,729,536	\$139,007,287	\$1,329,917	\$1,408,480	\$1,637,396	\$68,072,912
Total, 1936-37.....	4,604,232	4,487,496	47,490	69,245		
Total, 1937-38.....	\$2,994,286	46,097,991	381,237	625,106	38,954	34,667,453
Total, 1938-39.....	106,841,632	75,158,195	758,748	703,221	1,335,307	28,886,158
1938						
July.....	8,408,325	5,725,976	52,321	64,558	27,539	2,537,929
August.....	8,554,061	5,899,260	61,258	68,040	35,050	2,490,443
September.....	8,545,649	5,906,594	66,114	64,035	37,269	2,471,635
October.....	8,920,443	6,326,128	60,714	51,349	26,483	2,455,768
November.....	8,865,460	6,244,225	51,221	60,567	62,641	2,446,803
December.....	9,021,040	6,383,667	61,021	63,582	83,891	2,428,907
1939						
January.....	8,973,209	6,330,103	59,577	57,248	118,494	2,407,785
February.....	9,159,324	6,476,104	62,570	56,011	182,597	2,382,041
March.....	8,991,519	6,279,671	71,060	34,090	261,416	2,345,281
April.....	9,130,100	6,478,516	63,843	61,861	196,822	2,329,056
May.....	9,181,703	6,588,326	68,080	55,010	164,804	2,305,482
June.....	9,090,791	6,519,620	80,965	66,894	138,286	2,295,023
Total, 1939-40 through August.....	18,289,385	13,263,603	142,440	100,906	263,134	4,519,300
July.....	9,187,050	6,658,238	69,782	58,004	130,438	2,270,585
August.....	9,102,335	6,605,365	72,658	42,901	132,695	2,248,714

¹ Figures are total amounts (cents omitted) certified to the Secretary of the Treasury for payment minus cancellations. Figures for any month represent vouchers certified during that month, including retroactive payments and minus cancellations reported during the month. For monthly figures for fiscal years 1936-37 and 1937-38, see the *Bulletin*, July 1939, p. 4, table 3.

² Total benefit payments on basis of vouchers certified to the Secretary of the Treasury are \$4.5 million more than total on basis of checks drawn by disbursing officer as shown in table 5, p. 90. Amounts are certified to the Secretary of the Treasury and encumbered on books of the Railroad Retirement Board in latter part of month, but checks are not drawn by disbursing officer until first of following month.

³ Employee annuities include age and disability annuities paid to eligible individuals after retirement, based on average monthly compensation with employers under the act and years of service, including service prior to beginning of the system up to a total of 30 years, for individuals who meet certain conditions. See the *Bulletin*, July 1939, pp. 17-19.

⁴ Survivor annuities are paid to the surviving spouse of a deceased employee annuitant who duly elected a reduced annuity during his lifetime in order to provide a lifetime annuity for his spouse after his death.

⁵ Death-benefit annuities are paid under the 1935 act to the surviving spouse or dependent next of kin of a deceased annuitant or of a deceased employee

entitled to receive an annuity at the time of his death, in monthly amounts equal to half the monthly employee annuity, for 12 months.

⁶ Lump-sum death benefits are paid under the 1937 act to a designated beneficiary or to the deceased employee's legal representative. These benefits equal 4 percent of compensation earned as an employee after Dec. 31, 1936 (excluding compensation in excess of \$300 in any 1 month), less the aggregate amount of any employee or survivor annuities paid or payable.

⁷ Payments to individuals on the pension rolls of employers under the act on both Mar. 1 and July 1, 1937, who were not eligible for employee annuities. Total payments of pensions in any month are frequently less than corresponding monthly amounts payable as indicated by figure for pensions in force (table 4). This difference is due to cancellation of checks because of pensioner deaths reported to the Railroad Retirement Board after voucher for month's payment was sent to the Secretary of the Treasury.

⁸ Total includes payments of \$1,183,541 made to temporary pensioners for 3 months before Oct. 1, 1937. These were carrier pensioners who on July 1, 1937, were eligible for employee annuities and could be paid pensions only until their annuities were awarded but not later than Oct. 1, 1937.

Source: Railroad Retirement Board.

The slowing down in the rate of increase in the total number of annuities and pensions in force continued in August. The net addition during the month to the number and amount of all annuities and pensions and to employee annuities in force was the smallest since July 1937, the month following the enactment of the amendatory Railroad Retirement Act of 1937.

The number of new certifications of employee annuities was somewhat higher in August than in July (table 5). This is the first time since February 1939 that the figure has shown an increase. The increase in new certifications was more than offset by an increase in the number of annuities terminated by death during the month.

Applications for Employee Annuities

A total of 2,310 applications for employee annuities was received in Washington during August. This figure represents applications received directly from applicants and also those transmitted to Washington by the regional offices. Applications received in the regional offices during the month

but not yet transmitted to Washington by the end of the month are not included.

Statistics on employee-annuity applications received which have previously been carried in the Bulletin related to applications given an official filing date by the Washington office during a particular month. Under new procedures adopted by the Board, regional offices have been permitted since August 1, 1939, to receive applications and stamp the official filing date. After preliminary examination for completeness, the applications are forwarded to Washington. The new procedure should result in a more adequate and complete preparation of applications and make it possible for the applicant to secure an earlier official filing date, which is a factor in determining when the annuity will begin.

Average Annuity

Preliminary figures on the average actual monthly amount payable on employee annuities initially certified or recertified on a final basis during the fiscal year 1938-39 are now available.

Table 4.—Railroad Retirement Board: Number of annuities and pensions in force and monthly amount payable at end of month, by class of payment, by 6-month intervals, December 1936–June 1938, and by months, July 1938–August 1939 ¹

Year and month	All annuities and pensions		Employee annuities ²		Survivor annuities		Death-benefit annuities ³		Permanent pensions	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
December 1936.....	1,742	\$108,261	1,732	\$107,918	5	\$171	5	\$171	.....	.....
June 1937.....	7,223	446,614	6,870	433,047	115	4,651	238	8,916	.....	.....
December 1937.....	86,632	5,214,726	39,375	2,489,253	353	14,245	578	21,304	46,326	\$2,689,923
June 1938.....	108,240	6,708,316	62,870	4,097,616	807	31,489	649	24,232	43,914	2,554,978
1938										
July.....	110,713	6,882,878	65,612	4,289,625	897	34,701	649	24,021	43,555	2,534,530
August.....	113,680	7,082,345	68,829	4,504,803	974	37,095	643	23,950	43,234	2,516,496
September.....	116,412	7,260,034	71,706	4,695,265	1,114	41,419	689	25,481	42,903	2,497,867
October.....	118,993	7,426,695	74,543	4,878,648	1,196	43,814	655	23,911	42,599	2,480,319
November.....	121,741	7,595,263	77,445	5,060,257	1,310	47,026	715	25,893	42,271	2,462,085
December.....	123,630	7,717,077	79,624	5,200,252	1,372	48,730	703	25,547	41,931	2,442,546
1939										
January.....	125,107	7,812,654	81,452	5,317,101	1,432	50,546	696	25,222	41,527	2,419,784
February.....	126,791	7,927,129	83,522	5,455,021	1,482	51,990	695	25,103	41,092	2,395,013
March.....	128,445	8,035,087	85,473	5,582,687	1,580	54,887	742	26,816	40,650	2,370,695
April.....	129,779	8,124,472	87,132	5,692,229	1,652	57,150	745	26,909	40,250	2,348,182
May.....	131,062	8,211,567	88,734	5,799,982	1,712	58,978	757	27,006	39,859	2,325,599
June.....	132,239	8,290,476	90,185	5,896,101	1,783	61,239	771	27,364	39,500	2,305,770
July.....	133,272	8,363,866	91,488	5,986,408	1,836	62,853	764	27,095	39,184	2,287,509
August.....	134,134	8,426,897	92,712	6,071,013	1,875	63,914	727	25,705	38,820	2,266,263

¹ Figures based on month in which annuity was first certified, not retroactive to month for which it accrued. Cents omitted for all amounts. For monthly figures for fiscal years 1936-37 and 1937-38, see the *Bulletin*, July 1939, p. 10, table 4.

² Employee annuities include age and disability annuities. In-force figures here include not only finally certified annuities but also (1) "annuities subject to recertification," constituting about 25 percent of initial certifications during past fiscal year, initially certified on basis of detailed check of only part of relevant service and compensation records or of all available service and compensation records but lacking some other element for final certification; (2) a small and decreasing proportion of "temporary partial annuities"

certified on basis of summary report of service and compensation but not verified from month-to-month service and compensation records; and (3) a small and decreasing proportion of temporary annuities to former carrier pensioners. See the *Bulletin*, July 1939, pp. 14-17. When amount of annuity is increased by recertification, changed amount is reflected in month of recertification, not retroactively to months for which back payment is made.

³ In a few cases payments are made to more than 1 person on account of the death of a single individual. Such payments are here counted as single items.

Source: Railroad Retirement Board.

These figures, which are presented in table 6, are not directly comparable with the figures shown in the table for the period through June 1938, since the 1938-39 figures include all cases finally certified during that fiscal year, whether initially certified during that fiscal year or earlier. The 1938-39 figures thus include some annuities which accrued in the same period as those included in the figures through June 1938. In the main, however, the annuities finally certified during the fiscal year 1938-39 represent a later accrual period than those finally certified through June 1938. Comparison of the two sets of figures thus gives some general indication of changes in the average actual annuity between the two periods.

The average actual monthly annuity for 1938-39 was less by about \$3.00 or 4.4 percent than the average for all annuities finally certified through June 1938. For each type of employee annuity, the average actual annuity was lower for final

certifications during 1938-39 than for final certifications through June 1938. The difference between the two periods was greater for disability annuities with less than 30 years of credited service, the 1938-39 average of \$34.94 being 13.1 percent lower than the average through June 1938. Age annuities starting at or after age 65 were approximately \$4.00 or 5.7 percent lower in the later than in the earlier period. Age annuities starting before age 65 showed practically no difference between the two periods.

The figures for the months from April through August in table 6 are on a different basis from those for the longer periods, since the monthly figures include no recertified annuities but only annuities initially certified on a final basis. Annuities originally certified subject to recertification are on the average somewhat lower even after final certification than annuities initially certified on a final basis. Hence the monthly

Table 5.—Railroad Retirement Board: Applications for employee annuities; number and monthly amount payable of new certifications, terminations by death and net adjustments; and number in force and amount payable at end of month, by fiscal years, 1936-40, and by months, July 1938-August 1939¹

Fiscal year and month ²	Applications received ³	New certifications ⁴		Terminations by death		Net adjustments ⁵		In force at end of period ⁶	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount
Cumulative through August 1939	138,350	104,338	\$6,384,243	11,317	\$725,151	-324	\$411,328	92,697	\$6,070,420
Total, 1936-37	27,929	7,158	445,285	284	17,414	-4	5,175	6,870	433,047
Total, 1937-38	52,895	58,682	3,612,542	2,815	177,693	-151	217,065	62,586	4,084,961
Total, 1938-39	28,440	34,813	2,094,809	7,093	456,935	-144	172,397	90,162	5,895,234
1938									
July	2,690	3,325	206,144	494	33,216	-27	21,857	65,390	4,279,743
August	2,846	3,767	232,647	476	31,962	-27	16,712	68,654	4,497,145
September	2,655	3,561	216,745	622	40,357	-22	15,743	71,571	4,689,276
October	2,684	3,443	206,961	575	37,103	-7	14,495	74,432	4,873,630
November	2,438	3,490	203,046	574	35,910	-3	15,036	77,345	5,055,803
December	2,068	2,838	167,137	623	38,820	-10	12,923	79,550	5,197,043
1939									
January	2,274	2,498	148,644	645	41,354	-5	10,496	81,398	5,314,830
February	2,059	2,716	164,562	642	41,546	1	15,128	83,473	5,452,974
March	2,385	2,638	155,852	645	41,033	-32	13,236	85,431	5,581,030
April	2,014	2,327	137,817	651	42,202	-7	14,269	87,100	5,690,914
May	1,984	2,210	133,077	578	37,078	-26	11,962	88,706	5,798,875
June	2,343	2,000	122,172	565	36,348	21	10,534	90,162	5,895,234
Total, 1939-40 through August	4,316	3,685	231,596	1,125	73,108	-25	16,688	92,697	6,070,420
July	2,006	1,827	114,194	534	34,538	16	10,882	91,471	5,985,722
August	2,310	1,858	117,411	591	38,569	-41	5,806	92,697	6,070,420

¹ Cents omitted for all amounts. See the *Bulletin*, July 1939, p. 14, table 6, for applications received, and p. 15, table 7, for other items, by months in fiscal years 1936-37 and 1937-38.

² Correction for a claim certified or terminated in error or for an incorrect amount is made in figures for month in which error is discovered and not for month in which error was made. To this extent, number and amount shown for any given month differ slightly from actual monthly activity.

³ 24,770 applications were received prior to July 1, 1936. The difference between total applications and total certifications does not measure the active pending load, since applicants may be declared ineligible, may die prior to certification so that the employee annuity application is superseded by a survivor claim, or may submit applications prior to retirement. There are a few other minor ways in which claims may be disposed of without certification as an employee annuity. About 13,000 applicants for annuities have so far been declared ineligible.

⁴ Excludes temporary annuities to former carrier pensioners, counted as applications and not as certifications until the amounts of their annuities are determined on basis of service records. For this reason, figures in force differ somewhat from those in table 4. For monthly figures on temporary annuities, see the *Bulletin*, July 1939, p. 17, table 9.

⁵ Reinstatements of suspended annuities are added, while terminations for reasons other than death, including suspensions, returns to service, and commuted lump-sum annuity payments, are subtracted. Recertifications of employee annuities result in additions to amount payable but not to number of cases certified. For this reason, amount of adjustment bears no relation to net number of cases reported as adjusted. Net adjustment in amount is always positive, because of preponderant effect of recertifications.

Source: Railroad Retirement Board.

figures would tend to be on a somewhat higher basis than the figures for the longer periods. Comparison of the monthly figures themselves shows that, beginning with April when the figures first became available, the average actual annuity was higher in each succeeding month. For each type of annuity except disability annuities with 30 years of service the average actual annuity was higher in the period July-August 1939 than in April-June 1939.

Because annuities certified in a particular period

may actually represent retirements which took place much earlier and because of other difficulties involved in comparisons between certifications in different periods,¹ the table indicates only in a general way changes in the average actual annuity. Information by period in which the annuities began to accrue rather than by period in which the annuities were certified is in process of preparation and will more clearly indicate changes in average actual annuity in relation to the time of retirement.

¹ See the *Bulletin*, July 1939, p. 19.

Table 6.—Railroad Retirement Board: Number and average actual monthly amount¹ payable on finally certified² employee annuities, by type of annuity, through June 1938, and by months, April-August 1939

Period	All annuities		Age annuities				Disability annuities			
	Number	Average actual annuity	65 and over		Under 65		30 years' credited service		Less than 30 years' credited service	
			Number	Average actual annuity	Number	Average actual annuity	Number	Average actual annuity	Number	Average actual annuity
Finally certified annuities:										
Cumulative through June 1938.....	53,889	\$69.06	47,431	\$68.30	1,186	\$63.53	4,721	\$81.43	551	\$40.21
Fiscal year 1938-39.....	34,159	66.03	22,389	64.38	1,804	63.34	7,753	80.28	2,213	34.94
Originally certified on final basis:										
Total, April-June 1939.....	4,710	66.22	2,867	65.24	330	61.97	1,135	80.81	378	33.47
April.....	1,665	65.89	958	65.42	130	60.82	431	79.15	146	34.38
May.....	1,619	66.07	980	64.41	123	62.65	386	82.81	130	32.12
June.....	1,426	66.76	929	65.95	77	62.83	318	80.63	102	33.87
Total, July-August 1939.....	2,746	68.26	1,722	68.16	151	64.72	661	80.30	212	33.90
July.....	1,343	67.93	841	66.60	76	66.04	337	80.38	89	34.94
August.....	1,403	68.57	881	69.65	75	63.38	324	80.23	123	33.30

¹ For each annuity, the "normal annuity" is calculated from the annuity formula (see the *Bulletin*, July 1939, p. 4, footnote 4). For the majority of annuitants the normal annuity is the actual amount payable monthly. For age annuitants under 65 and disability annuitants with less than 30 years' credited service (a small but increasing percentage of annuitants), the normal annuity is reduced by 1/4% for each calendar month that the annuitant is under 65 years at time his annuity begins to accrue. If an annuitant elects an annuity for a surviving spouse (a small and decreasing proportion of annuitants), the actual amount payable to him during his lifetime is reduced so that the combined actuarial value of the 2 annuities will be the same as

the actuarial value of the single-life annuity to which he would otherwise be entitled. Actual average amount payable reflects these 2 types of reductions.

² Finally certified annuities in 1939 months are annuities originally certified on a final basis: cumulative figures through June 1938 and for fiscal year 1938-39 include also those recertified on final basis by the end of the period. See table 4, footnote 2. Figures for fiscal year 1938-39 and for individual months are preliminary.

Source: Railroad Retirement Board.

FINANCIAL AND ECONOMIC DATA

BUREAU OF RESEARCH AND STATISTICS · DIVISION OF OLD-AGE BENEFITS RESEARCH

FINANCIAL operations under the social security program during August reflect the continuing upward trend in business activity and the increased appropriations under the Social Security Act for 1939-40. Both social security tax collections and expenditures for the first 2 months of the current fiscal year are above those for the same months of the previous year.

Receipts and Expenditures

Social security tax collections and expenditures have become each year an increasing part, both absolutely and proportionately, of the total Federal receipts and expenditures. Expenditures under the Social Security Act in the first 2 months of the current fiscal year represented 10.3 percent of all Federal expenditures as compared with 9.2 and 8.9 percent, respectively, in the entire fiscal years 1938-39 and 1937-38. Such social security expenditures do not include funds for vocational rehabilitation in the Office of Education, which cannot be separated from other Federal funds for similar purposes, and expenditures for administration and certain research in the United States Public Health Service.

Social security taxes equaled 20.6 percent of total Federal receipts in the first 2 months of the present fiscal year. However, because of differences in the dates of collection of the various Federal taxes, comparison of monthly tax collections from different sources are likely to be misleading.

Following the usual pattern within the quarterly period, social security tax receipts during August were substantially above those for July. (See table 1.) This sharp increase is attributable mainly to the fact that the bulk of these collections represent contributions under the Federal Insurance Contributions Act, which are based on pay rolls for the preceding quarter and were payable in July, but are not reflected in the accounting figures until August. These receipts, totaling \$150 million for July and August, increased 9.5 percent over the comparable months of 1938. Primarily, this rise reflects expanded production and employment in recent months.

Tax collections under the Carriers Taxing Act

amounted to \$4.4 million during August, bringing the total for July and August to \$5.1 million. The bulk of these tax collections, in contrast with tax receipts under the Federal Insurance Contributions Act, are now reflected in the Treasury figures for the last rather than the second month of the quarter, and hence September figures will include the major portion of tax collections during the first quarter of the current fiscal year. Prior to April 1939, as indicated in table 1, taxes under the Carriers Taxing Act were highest in the second month of the quarter. However, pursuant to Treasury Decision 4891, effective March 29, 1939, employers under this act are allowed an additional month in which to file returns, bringing the final date of tax payment to the last day of the second calendar month following the quarter for which taxes are payable. Beginning with April, the major portions of these tax payments are not shown in the Treasury statements until the following, or last, month of the quarter.

At the same time, Federal receipts other than Federal insurance contributions, Federal unemployment taxes, and taxes under the Carriers Taxing Act were almost 10 percent lower for July and August 1939 than for the same months a year ago. "Other" tax receipts are also dependent on general business conditions, but their timing is different. Since social security taxes are based on pay rolls of the previous calendar quarter, they reflect more quickly changes in employment and business conditions than the bulk of other Federal tax receipts, which depend on income of the previous year. Not until 1940 will net-income and corporate-tax receipts show the effect of the 1939 improvement in business conditions.

Federal expenditures for other than social security and railroad retirement programs for the first 2 months of the current fiscal year were 12.5 percent higher than in July and August 1938. Most of the increase in total expenditures is accounted for by an item of approximately \$120 million, representing the restoration of capital impairment of the Commodity Credit Corporation.

During August total Federal expenditures exceeded total Federal receipts by \$402 million.

This excess was reflected in the \$230 million rise in the public debt, which amounted to \$40.9 billion as of August 31. Over 78 percent of this rise represents increases in the investments of the two social security funds and the railroad retirement account.

Retroactive Taxes—1939

According to the instructions contained in Treasury Decision 4935, issued by the Bureau of Internal Revenue on September 6, 1939, taxes collected under the Federal Insurance Contributions Act for the quarter ending September 30, 1939, are to include the taxes payable with re-

spect to services of an individual 65 years of age or over, rendered on or after January 1, 1939, and through September 30, 1939. Section 905 (a) of the 1939 amendments repeals the exemption specified in the 1935 Social Security Act in such cases. As a result, employers are now required to deduct from the wages paid to an employee over age 65 for services performed on and after August 10, 1939, which are not otherwise excepted, the 1-percent employee's tax on such wages; employers are also required to deduct from any remuneration the back tax for services performed from January 1 through August 9, 1939. The employer is liable for all such employee's tax even

Table 1.—Social security and railroad retirement receipts, expenditures, and issues and total Federal receipts, expenditures, and debt for the fiscal years 1935-40, and by months, July 1938-August 1939

(In millions)

Fiscal year and month	General and special accounts										Trust accounts, etc., ¹ excess receipts (+) or expenditures (-)	Change in general fund balance	Public debt					
	Receipts of Federal Government				Expenditures ² of Federal Government								Total	Old-age reserve account	Unemployment trust fund	Railroad retirement account	All other	
	Total	Social security taxes ³	Taxes under the Carriers Taxing Act	All other	Total	Under the Social Security Act		Under the Railroad Retirement Act		All other								
						Adminis-trative expense and grants to States ⁴	Trans-fers to old-age reserve ac-count	Adminis-trative ex-pense	Trans-fers to rail-road retire-ment ac-count									
Total, 1935-36.	\$4, 116	-----	(⁵)	\$4, 116	\$8, 666	\$28	-----	(⁵)	-----	\$8, 638	-\$4, 550	+\$312	+\$840	\$33, 779	-----	\$19	-----	\$33, 760
Total, 1936-37.	5, 294	\$252	(⁵)	5, 042	8, 442	183	\$265	\$1	-----	7, 993	-3, 149	+374	-128	36, 425	\$267	312	-----	35, 846
Total, 1937-38.	6, 242	604	\$150	5, 488	7, 626	291	387	3	\$146	6, 799	-1, 384	+306	-338	37, 165	662	872	\$66	35, 565
Total, 1938-39.	5, 668	631	109	4, 928	9, 210	342	503	3	107	8, 255	-3, 542	+890	+622	40, 440	1, 177	1, 267	67	37, 929
1938																		
July.....	311	31	(⁵)	280	762	40	38	(⁵)	22	660	-451	+325	-100	37, 191	700	872	68	35, 551
August.....	487	106	26	355	683	32	38	(⁵)	10	603	-196	-63	+144	37, 593	733	954	70	35, 836
September.....	711	3	(⁵)	708	751	10	33	(⁵)	12	696	-40	-41	+719	38, 393	766	950	71	36, 606
October.....	332	34	1	297	769	49	32	(⁵)	12	676	-437	-3	-409	38, 423	798	936	73	36, 616
November.....	382	103	26	253	677	28	32	(⁵)	17	600	-295	-6	-122	38, 603	830	1, 032	74	36, 667
December.....	704	3	(⁵)	701	862	14	32	(⁵)	17	799	-158	-31	+636	39, 427	862	1, 064	76	37, 425
1939																		
January.....	308	42	1	265	693	33	37	(⁵)	2	621	-385	+30	-151	39, 631	894	1, 074	77	37, 586
February.....	417	154	27	236	662	26	50	(⁵)	0	586	-245	+428	+410	39, 859	944	1, 185	77	37, 653
March.....	737	4	(⁵)	733	870	23	50	(⁵)	18	779	-133	+52	+46	39, 985	994	1, 185	77	37, 729
April.....	268	30	(⁵)	238	785	37	55	(⁵)	0	693	-517	+93	-346	40, 063	1, 044	1, 172	77	37, 770
May.....	397	118	6	273	744	32	50	(⁵)	(⁵)	662	-348	+9	-119	40, 282	1, 094	1, 280	67	37, 841
June.....	613	4	21	588	951	17	56	(⁵)	(⁵)	878	-339	+95	-86	40, 440	1, 177	1, 267	67	37, 929
Total, 1939-40 through August.....	728	150	5	573	1, 629	76	91	1	40	1, 421	-902	-157	-607	40, 891	1, 263	1, 382	77	38, 169
July.....	308	35	1	272	807	41	43	(⁵)	22	701	-499	-113	-391	40, 661	1, 220	1, 253	69	38, 119
August.....	420	115	4	301	822	35	48	(⁵)	18	720	-402	-44	-216	40, 891	1, 263	1, 382	77	38, 169

¹ Titles VIII and IX (except sec. 904) of the Social Security Act were repealed and reenacted as ch. 9, subchs. A and C, respectively, of the Internal Revenue Code approved Feb. 10, 1939. Amendments to the Social Security Act, approved Aug. 10, 1939, permit citation of subchs. A and C as "Federal Insurance Contributions Act" and "Federal Unemployment Tax Act," respectively. These data from the Daily Statement of the U. S. Treasury differ from tax collections in table 6 which are based on warrants covered by the Bookkeeping and Warrants Division of the Treasury Department.

² Excludes public-debt retirement. Based on checks cashed and returned to the U. S. Treasury.

³ Excludes funds for vocational rehabilitation in the Office of Education and for administration and research in the U. S. Public Health Service. See table 2, footnote 1.

⁴ Includes all trust accounts, increment resulting from reduction in weight of the gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

⁵ Less than \$500,000.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

though he does not collect it from the employee, with one exception. That exception applies only in the case of the employee's tax on wages paid for services performed prior to August 10, 1939, by employees over age 65, which is not collected from the employee, and only then if the employer does not have under his control, on or after November 8, 1939, remuneration earned at any time by the employee. The exception applies only to the employer's liability for the employee's tax and does not extend to his liability for the employer's tax. The employer is thus liable in any event for the employer's tax on the wages paid to each employee over age 65 not only for services performed in his employ on and after August 10, 1939, but also for services performed in his employ for any length of time during the period January 1, 1939, through August 9, 1939, irrespective of the fact that the employee may have since resigned or been discharged.

Appropriations and Expenditures

Federal expenditures under the Social Security Act for the first 2 months of the current fiscal year totaled \$169.6 million as compared with \$148.3 million for the corresponding months of 1938-39. The increase results from larger transfers to the old-age reserve account and from increased total expenditures for the grants-in-aid programs administered by the Social Security Board. Expenditures for the grants-in-aid programs administered by the Board totaled \$71.5 million for July and August of this year as compared with \$65.1 million during last July and August. The amounts of Federal grants to each State under all grants-in-aid programs of the Social Security Act except that relating to services for vocational rehabilitation are shown in table 7. This table is based on checks issued by the Treasury Department to the State agencies and the resulting totals do not correspond exactly with the expenditures in table 2,

Table 2.—Federal appropriations and expenditures under the Social Security Act for the fiscal years 1938-39 and 1939-40¹

Item	Fiscal year 1938-39		Fiscal year 1939-40	
	Appropriations ²	Expenditures through June 1939 ³	Appropriations ^{2,4}	Expenditures through August 1939 ⁵
Total.....	\$754,855,000.00	\$844,621,270.44	\$933,843,500.00	\$160,522,587.86
Administrative expenses.....	22,705,000.00	21,306,113.48	25,188,500.00	3,588,798.61
Federal Security Agency, Social Security Board: Salaries, expenses, and wage records.....	22,300,000.00	20,901,117.46	24,750,000.00	3,530,919.76
Department of Labor, Children's Bureau: Salaries and expenses.....	325,000.00	323,928.10	338,500.00	45,306.75
Department of Commerce, Bureau of the Census: Salaries and expenses.....	50,000.00	81,067.92	100,000.00	12,482.10
Grants to States.....	342,150,000.00	320,315,156.96	358,655,000.00	74,933,789.25
Federal Security Agency.....			349,000,000.00	73,077,321.53
Social Security Board.....	326,000,000.00	304,026,288.18	339,500,000.00	71,519,070.71
Old-age assistance.....	214,000,000.00	208,844,926.55	225,000,000.00	47,384,327.35
Aid to dependent children.....	45,000,000.00	31,013,158.72	45,000,000.00	6,658,668.11
Aid to the blind.....	8,000,000.00	8,303,912.75	8,000,000.00	1,306,377.82
Unemployment compensation administration.....	⁶ 59,000,000.00	⁶ 58,864,290.16	61,500,000.00	⁶ 16,169,697.43
Public Health Service: Public-health work.....	8,000,000.00	8,005,731.30	9,500,000.00	1,558,250.82
Department of Labor, Children's Bureau.....	8,150,000.00	8,283,137.48	9,655,000.00	1,856,467.72
Maternal and child-health services.....	3,800,000.00	3,717,365.51	4,800,000.00	917,177.11
Services for crippled children.....	2,850,000.00	3,047,381.92	3,350,000.00	637,293.02
Child-welfare services.....	1,500,000.00	1,518,390.05	1,505,000.00	301,997.59
Transfers to old-age reserve account ⁷	⁸ 390,000,000.00	503,000,000.00	⁸ 550,000,000.00	91,000,000.00

¹ Excludes some funds appropriated and expended under the Social Security Act because they are not separated from other Federal funds for similar purposes. Such is the case with funds for vocational rehabilitation for which \$104,650 was appropriated in 1938-39 and \$111,500 in 1939-40 for administration in the Office of Education of the Federal Security Agency (formerly of the Department of the Interior), and \$1.8 million in 1938-39 and \$1,938,000 in 1939-40 for grants to States. For administration and research in the U. S. Public Health Service, appropriations were \$1.6 million in 1938-39 and \$1,640,000 in 1939-40, in addition to grants to States shown in this table.

² Excludes unexpended balance of appropriations for previous fiscal year.

³ Based on checks cashed and returned to the U. S. Treasury. Includes expenditures from reappropriated balance of appropriations for previous fiscal year.

⁴ Includes additional appropriations made available by the Third Deficiency Appropriation Act, approved Aug. 9, 1939.

⁵ Includes additional appropriations of \$9 million approved Mar. 15, 1939, and \$10 million approved May 2, 1939.

⁶ Includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program.

⁷ See table 3 for detailed statement of this account through August 1939.

⁸ The 1940 Treasury Department Appropriation Act, approved May 6, 1939, appropriated \$580 million for transfer to the old-age reserve account of which \$30 million was made available during 1938-39, leaving \$550 million for transfer during 1939-40.

Source: U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits (appropriations), Daily Statement of the U. S. Treasury (expenditures).

which are based on checks cashed. The amounts of grants certified by the Social Security Board for public assistance, and those for the administration of unemployment compensation and employment services, are shown in tables 8 and 9.

As in former months, grants to States for old-age assistance constituted the largest share of the eight grants-in-aid programs listed in table 2. These expenditures amounted to 63.2 percent of total grants-in-aid for July and August. Moreover, appropriations for old-age assistance accounted for 62.7 percent of total appropriations for these grants for the fiscal year 1939-40. A comparison of expenditures for old-age assistance with total Federal expenditures shows that in July and August Federal old-age assistance disbursements accounted for almost 3 percent of all Federal expenditures.

Old-Age Reserve Account

The status of the old-age reserve account is shown in table 3. During August transfers from the appropriation to the account amounted to \$48.0 million, \$5.0 million more than the amount transferred during July and \$10.0 million more than the amount transferred during August of last year. Combined transfers for July and August amounted to approximately one-sixth of the 1939-40 appropriation. On August 31 total assets of the account were \$1,727.6 million, of which \$1,263.0 million was invested in 3-percent special Treasury notes, \$459.1 million was held as an appropriation balance, and \$5.3 million was held in cash by the disbursing officer.

Lump-sum payments during August amounted to \$1.3 million, the smallest amount paid since February 1939. August was the third consecutive

Table 3.—Status of the old-age reserve account, by months, January 1937–August 1939

Month	Appropriations ¹	Transfers from appropriations to account	Interest received by account	3-percent special Treasury notes acquired	Deposits with disbursing officer for benefit payments	Collections of improper payments ²	Benefit payments	Cash with disbursing officer at end of month	Unexpended balance in appropriations	Total assets
Cumulative through August 1939	\$1,705,000,000	\$1,246,000,000	\$44,625,099	\$1,263,200,000	\$27,361,811	\$3,354	\$22,033,702	\$5,324,755	\$459,066,641	\$1,727,591,396
1937										
January	265,000,000	45,000,000		45,000,000	0		0	0	220,000,000	265,000,000
February		45,100,000		45,000,000	100,000		0	100,000	174,900,000	265,000,000
March		45,000,000		45,000,000	0		0	100,000	129,900,000	265,000,000
April		45,000,000		45,000,000	0		230	99,770	84,900,000	264,999,770
May		45,000,000		45,000,000	0		7,065	92,705	39,900,000	264,992,705
June		39,900,000	³ 2,261,811	42,100,000	0		19,674	73,031	61,811	267,234,842
July	500,000,000	42,000,000	(³)	41,000,000	¹ 1,061,811		46,357	1,088,485	458,000,000	767,188,485
August		41,000,000		41,000,000	0		108,081	980,404	417,000,000	767,080,404
September		41,000,000		41,000,000	0		99,472	880,932	376,000,000	766,980,932
October		41,000,000		41,000,000	0		169,349	711,583	335,000,000	766,811,583
November		41,000,000		41,000,000	0		263,973	447,610	294,000,000	766,547,610
December		43,000,000		41,000,000	2,000,000		302,275	2,145,335	251,000,000	766,245,335
1938										
January		41,000,000		41,000,000	0		581,005	1,564,330	210,000,000	765,664,330
February		41,000,000		41,000,000	0		602,216	962,115	169,000,000	765,062,115
March		43,000,000		41,000,000	2,000,000		736,133	2,225,982	126,000,000	764,325,982
April		10,800,000		10,800,000	0		841,022	1,384,936	115,200,023	763,484,959
May		2,200,000		0	2,200,000		79	823,297	113,000,102	762,661,662
June		0	15,412,233	15,400,000	0		830,883	1,930,620	113,012,391	777,243,012
July	360,000,000	38,000,000		38,000,000	0	134	779,513	1,150,973	435,012,525	1,130,463,496
August		38,000,000		33,000,000	5,000,000	267	826,495	5,324,211	397,012,792	1,135,637,003
September		33,000,000		33,000,000	0	547	853,255	4,470,409	364,013,339	1,134,783,748
October		32,000,000		32,000,000	0	82	1,073,918	3,396,410	332,013,421	1,133,709,831
November		32,000,000		32,000,000	0	215	1,023,045	2,373,149	300,013,636	1,132,686,785
December		32,000,000		32,000,000	0	219	1,077,369	1,295,561	268,013,855	1,131,600,416
1939										
January		37,000,000		32,000,000	5,000,000	247	1,121,312	5,174,002	231,014,102	1,130,488,104
February		50,000,000		50,000,000	0	81	1,155,340	4,018,582	181,014,182	1,129,332,764
March		50,000,000		50,000,000	0	90	1,443,529	2,574,963	131,014,272	1,127,889,235
April		55,000,000		50,000,000	5,000,000	204	1,382,953	6,191,806	76,014,476	1,126,506,282
May	30,000,000	50,000,000		50,000,000	0	266	1,677,193	4,514,348	56,014,742	1,154,829,089
June		56,000,000	26,951,055	82,900,000	0	325	1,477,661	3,036,361	66,122	1,180,302,483
July	550,000,000	43,000,000		43,000,000	0	416	1,426,846	1,609,100	507,066,537	1,728,875,638
August		48,000,000		43,000,000	5,000,000	104	1,284,241	5,324,755	459,066,641	1,727,591,396

¹ \$30 million authorized in the 1940 Treasury Department Appropriation Act, approved May 6, 1939, was made available for the fiscal year 1938-39.

² Collections of improper payments made to claimants have been transferred to appropriation balance.

³ \$61,811 of interest earned during first 6 months of 1937 was held as an ap-

propriation balance until July 1937, at which time it was transferred to disbursing officer.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

month in which a decrease from the preceding month occurred. This decrease reflects the provisions of the 1939 amendments which, as of the date of enactment—August 10, 1939—discontinued lump-sum payments to individuals who attain age 65 as provided in section 204 of the original act.

Since the 1939 amendments provide for crediting wages earned by persons 65 or over after December 31, 1938, many individuals not previously eligible may be able to qualify after January 1, 1940, for monthly old-age insurance benefits. Furthermore, lump-sum death payments, which were computed as 3½ percent of credited wages in accordance with section 203 of the 1935 act, are to be discontinued on and after January 1, 1940, except payments to the estate of an individual who dies prior to January 1, 1940. After that date, qualified dependents of currently or fully insured individuals will be eligible for survivors benefits. Lump-sum payments equaling 6 times the primary insurance benefit will be paid

only on behalf of deceased insured workers who leave no dependents eligible for survivors insurance during the month in which death occurs.

Unemployment Trust Fund

Table 4 shows the status of the unemployment trust fund as of August 31, 1939, including the accounts maintained for the State agencies and for the railroad unemployment insurance account. During August, deposits by States to their individual accounts amounted to \$154.2 million and exceeded withdrawals by \$114.4 million. State withdrawals of \$81.3 million during July and August were 8.3 percent less than for the same period last year, despite the increase in the number of States paying benefits, while deposits of \$196.8 million were 18.0 percent greater than last year. The large excess of receipts over withdrawals during August led to an addition of \$129.0 million to the amount of investments, bringing total investments to \$1,382.0 million. These investments are exclusively in the form of unemployment

Table 4.—Status of the unemployment trust fund,¹ by fiscal years, 1935–40, and by months, July 1938–August 1939
[In thousands]

Fiscal year or month	Total assets (at end of period)	Certificates of indebtedness acquired	Unexpended balance (at end of period)	State accounts				Railroad unemployment insurance account				
				Deposits	Interest credited	Withdrawals	Balance (at end of period)	Advances from appropriations ²	Transfers from State accounts	Deposits	Benefit payments	Balance (at end of period)
Total, 1935–36	\$18,949	\$18,909	\$40	\$18,858	\$92		\$18,949					
Total, 1936–37	312,389	293,386	94	291,703	2,737	\$1,000	312,389					
Total, 1937–38	884,247	559,705	12,247	747,690	15,172	190,975	884,247					
Total, 1938–39	1,280,539	395,000	13,539	811,251	26,837	441,795	1,280,539					
1938												
July	883,763	0	11,763	35,486	0	35,970	883,763					
August	962,382	82,000	8,382	131,334	0	82,715	962,382					
September	957,739	—4,000	7,739	35,372	30	40,045	957,739					
October	956,167	—14,000	20,167	38,020	103	39,695	956,167					
November	1,054,796	96,000	22,796	125,069	0	26,440	1,054,796					
December	1,072,283	32,000	8,283	36,922	0	19,435	1,072,283					
1939												
January	1,080,563	10,000	15,563	38,740	11,858	33,318	1,080,563					
February	1,201,885	111,000	16,885	148,330	0	36,008	1,201,885					
March	1,192,019	0	7,019	33,964	74	43,905	1,192,019					
April	1,184,600	—13,000	12,600	33,523	88	41,030	1,184,600					
May	1,289,600	108,000	9,600	137,081	0	32,081	1,289,600					
June	1,280,539	—13,000	13,539	17,409	14,683	41,153	1,280,539					
Total, 1939–40 through August	1,410,448	115,000	28,448	196,821	15	81,335	1,396,039	\$15,000	⁴ \$344		\$934	\$14,410
July	1,296,804	—14,000	43,804	42,648	15	41,581	1,281,620	15,000	⁴ 253		69	15,184
August	1,410,448	129,000	28,448	154,173	0	39,754	1,396,039	0	⁴ 91		865	14,410

¹ Beginning July 1939, the unemployment trust fund contains a separate book account for the railroad unemployment insurance account in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes such unemployment insurance payments as are certified by the Railroad Retirement Board. The trust fund continues as heretofore the separate accounts for each State agency in which are held all moneys deposited by State agencies from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments.

² Minus figures represent sale of certificates.

³ Advanced to railroad unemployment insurance account, pursuant to sec. 10 (d) of the Railroad Unemployment Insurance Act of June 25, 1938. Such amounts advanced to be repaid on or before Jan. 1, 1941.

⁴ These amounts were certified by the Social Security Board to the Secretary of the Treasury on behalf of the State of Connecticut for payment into the railroad unemployment insurance account in accordance with sec. 13 of the Railroad Unemployment Insurance Act. See table 9, footnote 7.

Source: Daily Statement of the U. S. Treasury.

trust fund certificates of indebtedness bearing a 2.5-percent interest rate. Total assets of the unemployment trust fund as of August 31 amounted to \$1,410.4 million, of which \$14.4 million was credited to the railroad unemployment insurance account and \$1,396.0 million to the State accounts.

Status of the Railroad Retirement Account

The status of the railroad retirement account as of the end of August 1939 is shown in table 5. Transfers to the account amounted to \$18.1 million during August, and the total transferred during the current fiscal year was \$40.0 million. These transfers reduced the appropriation balance at the end of August to \$91.4 million. During the month an additional \$8.1 million was invested in 3-percent special Treasury notes, making a total of \$10.0 million in new investments during the fiscal year. As of August 31, 1939, the railroad retirement account held \$77.2 million in special Treasury notes. The balance

of the August transfers, \$10.0 million, was deposited with the disbursing officer for benefit payments, bringing total deposits for the fiscal year to \$30.0 million. At the end of August the amount held in cash with the disbursing officer was \$13.8 million, and the balance in the trust fund was \$2.0 million.

Social Security Tax Collections

Collections of Federal insurance contributions and Federal unemployment taxes by internal revenue collection districts are shown in table 6. Total collections for the first 2 months of the current fiscal year amounted to \$150.9 million, an increase of more than 10 percent over similar collections in the corresponding period of last year. Since most unemployment taxes are paid at the beginning of the calendar year, this increase is largely attributable to insurance contributions and reflects increased activity in general business conditions.

Table 5.—Status of the railroad retirement account as of June 30, 1938, and by months, July 1938–August 1939¹

Year and month	Appropriation balance on first of month ²	Transfers from appropriation to trust fund	Cancellations and repayments ³	Interest received by trust fund	3-percent special Treasury notes acquired ⁴	Deposits with disbursing officer for benefit payments	Benefit payments issued by disbursing officer ⁵	Cash with disbursing officer at end of month	Balance in trust fund at end of month
Cumulative through June 1938.....	\$93,692	\$141,803,720	\$27,360	\$1,410,821	\$66,200,000	\$86,900,000	\$80,491,156	\$1,014,899	\$140,027
1938									
July.....	118,343,692	22,000,000	2,876		2,000,000	20,000,000	8,115,367	12,899,531	142,908
August.....	96,343,692	9,500,000	37,213		1,500,000	8,000,000	8,402,865	12,496,665	180,117
September.....	86,843,692	11,500,000	9,397		1,500,000	10,000,000	8,567,162	13,929,503	189,514
October.....	75,343,692	11,500,000	12,358		1,500,000	10,000,000	8,706,770	15,222,732	201,873
November.....	63,843,692	16,500,000	4,801		1,500,000	15,000,000	8,856,363	21,366,368	206,674
December.....	47,343,692	16,500,000	3,717		1,500,000	15,000,000	8,813,153	27,553,215	210,391
1939									
January.....	30,843,692	1,500,000	1,124		1,500,000		8,750,817	18,802,367	211,516
February.....	29,343,692		411				9,043,924	9,758,472	211,928
March.....	29,343,692	18,000,000	1,735			18,000,000	9,109,816	18,648,655	213,663
April.....	11,343,692		14,642				9,172,486	9,689,832	14,642
May.....	11,343,692	93,692	2,100	266,301	-10,000,000	10,359,993	9,097,189	10,952,636	16,743
June.....	11,250,000	(⁶)	3,260	1,935,575			9,029,007	1,923,629	1,955,579
Cumulative through June 1939.....	11,250,000	248,897,412	121,000	3,612,698	67,200,000	193,473,656	186,156,083	1,923,629	1,955,579
July.....	131,400,000	21,900,000	1,743		1,900,000	20,000,000	9,059,584	12,864,044	1,957,322
August.....	109,500,000	18,100,000	1,465		8,100,000	10,000,000	9,017,619	13,846,424	1,958,788
Cumulative through August 1939.....	91,400,000	288,897,412	124,209	3,612,698	77,200,000	223,473,656	204,233,286	13,846,424	1,958,788

¹ The railroad retirement account was created by the Railroad Retirement Act of 1937. An act approved July 1, 1937, appropriated to the account the unexpended balance of the \$46,620,000 which had been appropriated for the year 1936-37 for the payment of benefits under the 1935 act, and provided that all benefit payments made from that appropriation prior to July 1, 1937, be considered as having been made from the railroad retirement account. Cents omitted. For monthly figures July 1936-June 1938, and for an explanation of the derivation of balances, see the *Bulletin*, July 1939, p. 6, table 2.

² Balance as of fiscal years is balance on last day of June. Balance as of July 1 includes appropriation for new fiscal year: \$118,230,000 for 1938-39, and \$120,150,000 for 1939-40.

³ Includes checks canceled by the General Accounting Office and repayments on account of improper payments to claimants. Checks returned to disbursing officer and canceled by him are not included. (See footnote 5.) Cancellations and repayments are treated as additions to trust fund.

⁴ Minus item represents sale of notes.

⁵ On basis of checks issued by disbursing officer less checks canceled by disbursing officer, total benefit payments are \$8.5 million less than total on basis of vouchers certified to the Secretary of the Treasury for payment, as shown on p. 81, table 3, since checks drawn by disbursing officer as of first of a month are certified to the Secretary of the Treasury and encumbered on books of the Railroad Retirement Board in latter part of preceding month.

⁶ Transfer of \$3,720 balance from 1935 act appropriation shown on Daily Statement of the U. S. Treasury in June was taken account of in prior fiscal year on books of the Railroad Retirement Board.

Source: Railroad Retirement Board, Bureau of General Control, Division of Finance.

Although insurance contributions were 11 percent greater this July and August than last, the increase in collections from the different internal revenue collection districts was not uniform. Collections in Michigan were 27 percent larger

than for the same months in 1938 and had increased 16 and 15 percent, respectively, in Ohio and Massachusetts. Other important industrial districts—California, Illinois, New Jersey, New York, and Pennsylvania—reported increases rang-

Table 6.—Federal insurance contributions and Federal unemployment tax collections,¹ by internal revenue collection districts, for the fiscal years 1938-39 and 1939-40, and cumulative to Aug. 31, 1939

[In thousands]

Internal revenue collection district in—	Fiscal year 1938-39			Fiscal year 1939-40 through August			Cumulative through August 1939		
	Total	Insurance contributions ²	Unemployment taxes ³	Total	Insurance contributions ²	Unemployment taxes ³	Total	Insurance contributions ²	Unemployment taxes ³
Total.....	\$630,202.2	\$529,443.0	\$100,759.2	\$150,876.6	\$140,137.4	\$10,739.2	\$1,637,938.0	\$1,378,472.4	\$259,465.6
Alabama.....	4,533.0	3,827.7	705.4	1,049.6	970.3	79.3	11,380.5	9,864.8	1,515.8
Arizona.....	1,028.3	902.9	125.4	226.5	217.7	8.8	2,656.0	2,386.0	270.1
Arkansas.....	1,700.8	1,497.8	203.0	374.6	366.7	7.8	4,630.1	3,746.6	883.5
California (2 districts).....	39,453.9	34,317.7	5,136.2	9,368.2	8,927.8	438.5	96,837.0	85,639.0	11,198.0
Colorado.....	3,721.8	3,222.7	499.2	864.7	815.0	49.7	9,375.4	8,284.0	1,091.4
Connecticut.....	12,153.2	10,321.6	1,831.6	2,925.0	2,769.6	155.0	31,332.7	27,213.6	4,119.1
Delaware.....	3,320.1	2,781.2	538.9	955.4	857.4	98.0	9,282.1	7,608.8	1,673.4
Florida.....	4,478.0	3,911.1	566.9	1,016.6	957.9	58.8	11,883.5	9,555.2	2,328.2
Georgia.....	6,295.9	5,285.1	1,000.8	1,385.8	1,401.1	4-15.3	17,038.9	13,335.7	3,703.3
Hawaii.....	1,329.6	1,184.5	175.1	298.3	284.1	14.2	3,533.3	2,793.4	739.9
Idaho.....	1,079.9	933.9	125.9	246.1	243.6	2.5	2,780.6	2,502.2	278.4
Illinois (2 districts).....	58,142.8	49,120.3	9,022.5	14,322.3	13,103.1	1,219.2	165,761.6	129,039.6	36,721.9
Indiana.....	11,051.7	9,527.7	1,523.9	2,672.4	2,581.3	91.1	27,896.9	24,668.7	3,228.2
Iowa.....	5,812.4	5,038.7	773.7	1,359.5	1,322.9	36.6	14,135.6	12,517.3	1,618.3
Kansas.....	3,130.6	2,566.8	563.8	720.7	644.7	75.9	8,783.9	6,574.4	2,209.4
Kentucky.....	5,024.0	4,056.6	967.4	1,126.3	1,023.0	103.3	12,545.8	10,413.0	2,132.8
Louisiana.....	4,816.4	4,128.6	687.7	1,081.3	1,048.9	32.5	11,641.6	10,231.5	1,410.1
Maine.....	2,568.5	2,231.0	337.5	570.5	553.9	16.6	6,370.9	5,669.8	701.1
Maryland (including District of Columbia).....	11,643.3	9,620.7	2,022.6	2,796.8	2,580.0	216.8	28,967.9	24,435.8	4,532.1
Massachusetts.....	28,368.9	24,174.1	4,194.8	6,787.8	6,548.4	239.4	72,120.3	62,960.9	9,159.4
Michigan.....	35,051.3	29,840.5	5,210.9	8,914.8	8,309.1	605.7	95,036.3	83,525.1	11,511.1
Minnesota.....	9,672.4	8,152.1	1,520.2	2,309.0	2,138.0	171.0	24,683.4	20,695.4	3,987.9
Mississippi.....	1,519.4	1,340.5	178.9	344.0	340.2	3.8	3,698.8	3,340.3	358.5
Missouri (2 districts).....	17,204.4	14,436.7	2,767.7	4,139.0	3,787.0	352.0	47,971.2	36,720.4	11,250.8
Montana.....	1,147.1	1,010.6	136.4	279.4	262.7	16.8	3,144.9	2,554.2	590.7
Nebraska.....	3,165.3	2,616.3	549.0	774.0	684.2	89.8	8,788.1	6,568.2	2,219.9
Nevada.....	444.9	350.8	94.0	116.5	91.6	24.8	1,668.7	1,315.1	353.6
New Hampshire.....	1,773.7	1,538.3	235.5	425.0	403.0	22.0	4,319.2	3,877.0	442.1
New Jersey (2 districts).....	22,784.9	19,503.8	3,191.2	5,546.0	5,203.2	342.8	56,755.0	49,780.2	6,974.8
New Mexico.....	649.7	577.9	71.8	148.7	146.1	2.6	1,605.2	1,468.0	137.2
New York (6 districts).....	147,056.6	117,107.3	29,949.3	35,054.1	30,885.2	4,168.9	374,995.9	300,971.6	74,024.2
North Carolina.....	7,513.7	6,484.3	1,029.4	1,799.2	1,704.2	94.9	18,561.8	16,326.4	2,235.4
North Dakota.....	572.6	511.5	61.1	129.7	127.3	2.4	1,487.5	1,250.8	236.7
Ohio (4 districts).....	40,008.2	34,120.7	5,887.4	9,916.9	9,313.1	603.8	106,515.6	93,060.9	13,454.7
Oklahoma.....	5,948.8	5,185.5	763.3	1,375.2	1,290.4	84.7	15,124.8	13,308.7	1,816.1
Oregon.....	4,090.1	3,557.0	542.1	952.9	921.7	31.2	10,152.2	8,976.9	1,175.2
Pennsylvania (3 districts).....	58,092.2	49,604.2	8,487.9	13,711.9	12,876.1	835.8	152,888.4	134,007.3	18,881.1
Rhode Island.....	4,184.6	3,613.0	571.6	906.5	952.5	44.0	10,775.4	9,878.2	897.2
South Carolina.....	2,954.6	2,558.4	396.1	683.8	643.2	40.6	7,445.9	6,709.3	736.6
South Dakota.....	622.2	562.7	59.5	147.8	140.1	7.8	1,539.2	1,437.9	101.3
Tennessee.....	5,782.3	4,935.9	846.4	1,311.0	1,267.7	43.3	14,416.3	12,526.8	1,889.5
Texas (2 districts).....	15,499.0	13,016.9	2,482.0	3,591.3	3,749.2	4-157.9	37,799.5	33,409.6	4,390.0
Utah.....	1,465.5	1,283.6	181.8	328.3	324.9	3.3	3,699.5	3,301.9	397.6
Vermont.....	1,033.0	891.5	141.5	241.8	239.1	2.7	2,615.3	2,317.8	297.5
Virginia.....	6,454.7	5,447.2	1,007.5	1,481.3	1,395.8	85.4	15,547.6	13,351.3	2,196.3
Washington (including Alaska).....	7,343.0	6,387.6	955.4	1,745.0	1,659.6	85.5	20,299.2	16,138.1	4,161.2
West Virginia.....	5,283.5	4,593.0	690.6	1,129.5	1,075.6	54.0	13,570.4	12,082.2	1,488.3
Wisconsin.....	12,666.8	10,995.0	1,671.8	3,011.9	2,870.0	141.8	32,329.9	28,862.9	3,467.0
Wyoming.....	565.6	499.3	66.4	125.0	119.2	5.7	1,548.0	1,299.3	278.7

¹ Titles VIII and IX (except sec. 904) of the Social Security Act were repealed and reenacted as ch. 9, subchs. A and C, respectively, of the Internal Revenue Code approved Feb. 10, 1939. Amendments to the Social Security Act, approved Aug. 10, 1939, permit citation of subchs. A and C as "Federal Insurance Contributions Act" and "Federal Unemployment Tax Act," respectively. Data are based on warrants covered by the Bookkeeping and Warrants Division of the Treasury Department and therefore differ slightly from tax receipts in table 1, which are based on the Daily Statement of the U. S. Treasury. The amounts listed in this table represent collections made in internal revenue collection districts in the respective States and covered into the U. S. Treasury. The amount received by a particular district does not necessarily represent taxes paid with respect to employment within the State in which that district is located.

² Taxes effective Jan. 1, 1937, based on wages for employment as defined in

ch. 9, subch. A, sec. 1426, of the Internal Revenue Code, payable by both employer and employee.

³ Taxes effective Jan. 1, 1936, based on wages for employment as defined in ch. 9, subch. C, sec. 1607, of the Internal Revenue Code, payable by employers only. The amounts here recorded represent taxes paid after deduction of credits for amounts paid into State unemployment funds. During part of period prior to fiscal year 1933-39 employers were not able to claim credit in States in which the unemployment compensation law had not yet been certified by the Social Security Board.

⁴ Minus figures represent transfer resulting from insurance contributions incorrectly reported as unemployment taxes.

Source: U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

Table 7.—Federal grants to States under the Social Security Act: Checks issued by the Treasury Department in the fiscal years 1938-39 and 1939-40¹

[In thousands]

State	Fiscal year 1938-39, total grants	Total grants	Fiscal year 1939-40 through August							
			Federal Security Agency					Department of Labor		
			Social Security Board				United States Public Health Service	Children's Bureau		
			Old-age assistance	Aid to dependent children	Aid to the blind	Unemployment compensation administration ²	Public-health work	Maternal and child-health services	Services for crippled children	Child-welfare services
Total, all participating States.....	\$321,985.3	\$68,312.8	\$41,735.9	\$5,858.4	\$1,187.0	\$16,088.4	\$1,582.4	\$903.8	\$655.2	\$301.6
Alabama.....	2,308.1	493.2	177.3	52.9	3.2	152.4	61.8	23.7	19.4	2.5
Alaska.....	304.5	73.5	35.4	(*)	(*)	13.0	9.0	10.8	3.0	2.3
Arizona.....	2,017.7	388.2	205.5	63.3	8.5	63.6	13.8	21.1	6.2	6.0
Arkansas.....	1,618.9	370.2	147.0	33.3	6.6	101.5	39.2	16.7	16.3	9.5
California.....	27,847.0	7,870.9	5,984.1	413.6	314.7	1,081.8	54.2	11.8	0	10.7
Colorado.....	7,214.4	1,938.7	1,595.3	165.8	27.2	121.4	0	10.9	14.3	3.7
Connecticut.....	3,824.9	1,049.6	655.2	(*)	6.6	343.6	22.7	13.3	3.7	4.5
Delaware.....	525.4	116.5	31.5	11.1	(*)	53.7	7.5	7.6	1.4	3.7
District of Columbia.....	1,267.9	338.2	130.6	42.8	8.9	126.7	12.9	10.7	3.4	2.2
Florida.....	3,929.9	1,016.4	678.0	73.3	45.2	152.6	34.5	13.5	14.3	5.0
Georgia.....	3,314.0	674.0	264.2	75.8	13.6	202.6	61.5	29.0	17.8	10.0
Hawaii.....	532.9	144.1	34.0	39.0	1.4	37.4	14.6	10.1	4.0	3.5
Idaho.....	2,015.1	348.7	188.3	52.4	6.7	60.3	13.9	7.5	7.0	3.6
Illinois.....	15,678.9	5,202.6	4,149.2	(*)	(*)	910.2	51.7	34.0	45.0	12.4
Indiana.....	10,072.8	2,200.0	1,225.0	338.9	52.8	496.5	44.7	18.8	14.5	11.8
Iowa.....	7,899.8	1,363.4	1,099.9	(*)	47.6	177.6	37.8	13.1	11.9	5.6
Kansas.....	4,323.9	809.6	478.7	120.0	23.2	117.8	30.0	30.2	3	9.3
Kentucky.....	3,299.1	914.3	607.7	(*)	(*)	203.0	54.2	20.5	30.0	8.9
Louisiana.....	4,321.6	804.5	328.4	194.5	12.2	189.1	38.5	24.3	17.5	(*)
Maine.....	2,713.7	487.5	269.9	33.5	29.9	122.9	15.6	12.7	2.9	0
Maryland.....	4,280.9	812.4	306.9	201.0	15.0	231.9	28.5	12.8	9.5	6.6
Massachusetts.....	19,177.3	3,622.4	2,322.1	280.2	27.8	908.4	56.3	15.9	10.3	1.5
Michigan.....	13,690.3	3,642.3	2,146.8	448.8	27.6	911.6	66.5	21.7	17.6	1.6
Minnesota.....	11,253.7	2,058.8	1,480.5	165.9	21.4	310.0	42.4	16.9	14.0	7.7
Mississippi.....	1,575.9	338.2	156.5	(*)	4.5	92.5	45.5	17.2	9.0	13.0
Missouri.....	10,860.5	2,153.3	1,574.0	150.7	(*)	373.8	9.1	18.9	25.0	10.8
Montana.....	2,208.3	399.1	235.5	45.5	3.3	89.8	9.1	12.2	(*)	3.7
Nebraska.....	4,091.6	663.7	430.9	85.9	13.8	97.7	17.1	6.6	6.5	5.2
Nevada.....	566.1	144.0	89.2	(*)	(*)	38.5	7.0	7.3	0	2.0
New Hampshire.....	1,104.9	296.0	161.4	19.7	10.9	78.1	11.8	7.5	3.0	3.6
New Jersey.....	6,862.1	2,035.7	920.0	344.5	22.7	671.9	34.5	16.0	26.1	0
New Mexico.....	839.2	173.3	48.2	27.3	3.2	44.5	17.9	20.2	8.3	3.6
New York.....	30,902.8	5,923.3	2,626.6	800.1	65.7	2,269.5	94.0	41.5	23.6	2.3
North Carolina.....	4,553.0	932.2	392.0	97.6	33.8	263.3	76.9	28.9	27.8	11.9
North Dakota.....	1,456.1	296.4	155.0	47.5	2.5	47.8	17.4	9.5	12.1	4.7
Ohio.....	10,589.5	4,177.1	2,817.9	360.6	111.4	752.5	65.3	33.8	23.0	12.6
Oklahoma.....	9,465.1	1,710.8	1,283.3	152.6	36.1	170.0	23.7	18.2	21.0	5.8
Oregon.....	3,656.3	739.0	471.0	56.4	14.2	162.1	0	16.8	13.8	4.7
Pennsylvania.....	22,221.6	1,800.2	* -9.9	0	(*)	1,683.5	66.9	23.5	29.2	7.0
Rhode Island.....	1,808.7	354.5	131.7	30.7	(*)	164.6	13.4	8.5	2.3	3.3
South Carolina.....	2,340.9	634.2	307.5	62.8	14.5	143.2	57.7	23.5	15.6	8.4
South Dakota.....	2,531.8	305.5	265.0	(*)	4.4	0	12.2	11.8	6.9	5.2
Tennessee.....	4,083.8	805.0	352.9	134.7	19.2	205.1	52.8	21.0	12.7	6.6
Texas.....	11,843.9	2,498.7	1,771.7	(*)	(*)	575.3	51.4	45.0	41.3	14.0
Utah.....	2,756.4	483.3	308.0	68.3	5.5	70.6	15.0	9.2	6.0	5.6
Vermont.....	877.9	190.0	92.0	14.8	5.1	50.0	11.3	12.0	4.6	3.3
Virginia.....	1,954.7	575.8	194.2	48.3	12.6	225.4	50.1	21.4	14.1	9.7
Washington.....	7,352.7	1,347.6	920.4	118.7	34.2	225.3	12.5	12.4	18.0	6.1
West Virginia.....	3,551.8	619.1	270.1	111.5	15.0	170.8	.2	32.5	12.5	6.5
Wisconsin.....	8,797.1	1,806.7	1,179.6	257.1	48.9	276.9	0	19.6	15.0	9.5
Wyoming.....	729.7	165.1	82.5	17.6	4.5	47.0	6.8	4.2	2.2	(*)

¹ Excludes Federal funds for vocational rehabilitation under title V, pt. 4 which are not segregated from other Federal funds provided for similar purposes. For any given period, amounts in this table may differ from those in tables 8 and 9, since amounts certified by the Board are attributed to quarter for which they were provided. The Board may certify amounts to be granted for current period of operation, for future periods, or for prior periods in which programs approved by the Board were in effect. Payments, therefore, are not necessarily made within period for which funds are certified.

² Includes grants certified by the Social Security Board to States for em-

ployment service administration to meet requirements of unemployment compensation program; as of Aug. 31, 1939, such grants had been made to all 51 jurisdictions.

³ No plan approved by the Social Security Board.

⁴ No plan approved by the Chief of the U. S. Children's Bureau.

⁵ Refund of unexpended grant for fiscal year 1938-39.

Source: Compiled from data furnished by the U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

ing from 7 to 10 percent above contribution collections in July and August of last year.

General Economic Conditions

Changes in business activity and fiscal operations of the Government directly affect the social security program. Contributions and tax collections are dependent on pay rolls and employment, benefits are related to earnings, and grants-in-aid vary in volume and amount according to the number of the needy and the degree of their dependency. Because of these relationships, it may be timely to review past economic experience to ascertain, as far as possible, the repercussions of a European war on those phases of economic activity which affect the social security program. No single economic index available represents the complete range of these factors. They may, however, be indicated by a few of the more significant indexes.

The volume of domestic business in August registered a moderate improvement, accelerated in part by the growing possibilities of a European war. When hostilities finally began early in September, market reactions were mild compared with those when war was declared in 1914. This difference in reaction may be due to several facts: The war in 1939 has been anticipated to a greater extent; the commodity and financial markets are more controlled by the Government; and the United States is now a creditor rather than a debtor nation. Production, wages, and real income are at considerably higher levels than those prevailing in 1914. Prior to the outbreak of hostilities in September 1939, this country was experiencing a definite upswing in business; whereas, in the period from 1912 to August 1914 there had been a continuous business decline which was intensified by the outbreak of war. Increased activity did not begin until early 1915 when war orders from the belligerent nations began to flood the country.

The Federal Reserve Board index of industrial production, although it excludes service and distribution industries, presents a fairly reliable picture of activities in the industries whose employees are included by the social security program. The adjusted index rose from 101 in July to 103 in August and thus continued the gains recorded since May of this year. An examination

of the component parts of the index indicates that in certain of the industries this increase was accentuated by the war tension. Manufactures of durable goods rose from 88 to 92 in August and of nondurable goods from 110 to 115. Minerals, however, dropped from 106 to 91, in spite of the more than seasonal increase in bituminous coal production; the decrease was due primarily to a decline in petroleum production occasioned by State-control measures for the month. Iron and steel output increased in August and rose sharply during the first 3 weeks of September. Automobile production in August was affected primarily by the seasonal shift to new-model production; the index increased from 87 in July to 89 in August. Textile operations, particularly cotton, showed a sharp and much greater than seasonal rise; the adjusted index increased from 111 to 120. Steel-ingot production reached 70 percent of capacity in the week ended September 16, as compared with 63 percent for the week ended September 2, and 61 percent for the month of August.

The rise in nondurable-goods manufactures reflected, chiefly, increases in activity in cotton and woolen textiles in anticipation of war orders as well as fear of limited supplies. Prior to the speculative rise in food prices in early September, meat-packing establishments had shown a less than seasonal decline in August with the result that the adjusted index showed a gain of 3 points. Flour mills did not show the usual seasonal increase; the adjusted index dropped from 96 to 88. The adjusted index of the value of construction contracts awarded, based on a 3-month moving average of F. W. Dodge Corporation data, increased from 67 in July to 73 in August, reflecting primarily the larger awards for publicly financed projects, including several dams and the expansion of activity under the program of the United States Housing Administration.

Like industrial production, nonagricultural employment also rose in August. The Federal Reserve Board adjusted index of factory employment increased about 1 percent; the unadjusted index of the Bureau of Labor Statistics increased 3.1 percent. Factory pay rolls, unadjusted for seasonal variation, rose from 84.4 to 89.9. Although these indexes represent a smaller group of industries than the Federal Reserve Board index

of industrial production, they do reflect activity in many of the factories fabricating goods important for war purposes.

Employment in retail trade declined 1.5 percent to 82.4; pay rolls fell 2.4 percent to 69.2. Employment and pay rolls in wholesale trade increased slightly. Mine employment and pay rolls rose during the month, with anthracite and bituminous coal and iron ore showing the greater changes.

Most of the service industries reported slight decreases in employment and pay rolls. Increases were registered for all public-utilities indexes.

Although the immediate reaction of the financial markets to the war situation was speculative, it was accompanied by substantial increases in industrial activity. The stock market, which had moved rather erratically during the latter half of August, rose sharply immediately after the

Table 8.—Federal grants to States for public assistance: Advances authorized and certified¹ by the Social Security Board to the Secretary of the Treasury for the fiscal year 1938-39 and the first and second quarters of the fiscal year 1939-40, as of Sept. 30, 1939²

[In thousands]

State	Advances certified for fiscal year 1938-39			Advances authorized and certified for first quarter of fiscal year 1939-40			Advances authorized for second quarter of fiscal year 1939-40			Advances certified for second quarter of fiscal year 1939-40		
	Old-age assistance	Aid to dependent children	Aid to the blind	Old-age assistance	Aid to dependent children	Aid to the blind	Old-age assistance	Aid to dependent children	Aid to the blind	Old-age assistance	Aid to dependent children	Aid to the blind
Total	\$208,080.6	\$30,496.9	\$5,235.7	\$55,230.7	\$8,529.5	\$1,400.2	\$38,206.6	\$6,135.5	\$1,199.7	\$12,696.4	\$2,128.1	\$373.1
Alabama	925.8	364.1	24.5	178.9	52.9	3.2	0	0	0	0	0	0
Alaska	163.2	(¹)	(¹)	48.7	(¹)	(¹)	47.5	(¹)	(¹)	11.4	(¹)	(¹)
Arizona	1,083.9	290.2	42.5	304.2	99.0	13.3	358.9	82.8	14.2	121.0	22.8	5.0
Arkansas	675.7	139.7	23.2	189.0	43.6	8.9	187.8	41.2	7.6	32.4	7.9	1.0
California	22,482.1	1,634.7	1,140.6	5,989.8	413.6	314.7	6,024.7	467.1	313.3	1,817.4	141.2	95.3
Colorado	5,936.5	563.0	108.5	1,595.3	165.8	27.2	1,446.6	143.7	25.2	335.5	37.9	7.2
Connecticut	2,503.0	(¹)	17.2	658.5	(¹)	6.6	684.3	(¹)	5.0	228.3	(¹)	0
Delaware	168.9	64.8	(¹)	44.4	14.7	(¹)	46.6	18.0	(¹)	15.1	5.7	(¹)
District of Columbia	486.7	169.9	34.9	131.9	42.8	8.9	133.7	32.0	8.5	41.3	4.5	2.2
Florida	2,973.7	169.4	171.2	678.0	73.3	45.3	701.4	57.7	44.1	208.8	8.4	12.7
Georgia	1,675.2	412.2	80.3	264.6	75.3	13.6	266.3	81.5	13.7	68.8	19.9	2.7
Hawaii	133.8	134.1	1.1	34.0	39.0	1.4	29.0	32.3	1.4	8.2	11.2	0.3
Idaho	1,178.7	302.6	39.0	265.5	75.0	10.2	270.3	75.0	9.1	79.0	23.2	2.7
Illinois	14,768.6	(¹)	(¹)	4,156.2	(¹)	(¹)	4,251.2	(¹)	(¹)	1,371.0	(¹)	(¹)
Indiana	5,776.9	1,750.1	286.9	1,738.3	450.1	77.5	1,789.6	480.2	76.1	548.7	136.9	23.5
Iowa	6,248.9	(¹)	166.9	1,617.6	(¹)	47.6	1,669.6	(¹)	53.0	546.1	(¹)	17.2
Kansas	2,677.3	552.7	115.8	693.2	176.5	30.5	731.2	176.5	32.8	202.6	48.1	7.0
Kentucky	2,351.5	(¹)	(¹)	609.1	(¹)	(¹)	203.3	(¹)	(¹)	203.3	(¹)	(¹)
Louisiana	1,896.6	979.6	60.4	474.7	320.4	19.3	497.4	354.6	20.2	164.8	154.6	7.0
Maine	1,534.0	196.0	178.1	397.5	49.8	44.5	437.6	50.2	42.5	143.8	16.1	13.5
Maryland	1,908.9	1,070.3	79.5	483.7	293.4	22.2	493.6	273.3	21.4	160.0	86.5	5.8
Massachusetts	12,708.5	1,440.5	152.7	3,396.5	313.5	40.1	0	0	0	0	0	0
Michigan	8,193.5	1,550.0	75.4	2,149.8	448.8	27.6	523.9	79.2	13.2	823.9	79.2	13.2
Minnesota	8,297.7	813.1	111.6	2,250.1	253.3	31.4	2,185.5	253.2	33.0	719.2	80.8	10.8
Mississippi	793.5	(¹)	15.0	227.8	(¹)	5.8	232.6	(¹)	7.2	74.3	(¹)	2.3
Missouri	7,887.3	757.4	(¹)	2,259.0	195.9	(¹)	2,227.2	226.4	(¹)	652.5	80.5	(¹)
Montana	1,528.2	247.9	4.9	354.2	67.5	5.0	348.4	65.6	4.8	114.1	21.5	1.5
Nebraska	2,752.7	528.9	74.9	643.2	120.2	19.6	633.9	129.2	15.5	202.3	43.4	1.7
Nevada	348.6	(¹)	(¹)	89.2	(¹)	(¹)	93.4	(¹)	(¹)	24.4	(¹)	(¹)
New Hampshire	574.9	52.4	37.8	162.2	19.7	10.9	162.3	19.5	10.9	49.2	7.5	3.2
New Jersey	3,213.0	1,228.1	84.3	927.9	344.5	22.7	0	0	0	0	0	0
New Mexico	276.0	136.8	17.7	69.9	39.7	4.6	80.9	39.6	4.9	25.9	11.5	1.5
New York	14,886.7	4,047.0	320.3	3,887.9	1,107.7	91.7	4,026.4	1,354.3	100.1	1,259.7	537.4	28.6
North Carolina	1,854.1	549.8	174.8	578.4	146.4	47.9	560.3	144.7	0	183.5	47.1	0
North Dakota	896.5	201.9	8.6	213.6	72.2	2.9	64.5	10.1	.6	64.5	10.1	.6
Ohio	15,392.0	1,462.2	471.2	4,046.0	390.6	111.4	0	320.9	94.7	0	72.2	25.1
Oklahoma	5,426.7	657.3	171.4	1,922.5	216.7	53.5	2,077.2	252.3	57.7	749.5	92.1	20.8
Oregon	2,535.5	230.6	70.7	614.4	56.4	16.6	670.3	58.4	16.6	163.2	0	1.7
Pennsylvania	11,380.1	3,478.8	(¹)	2,630.1	1,227.0	(¹)	0	0	(¹)	0	0	(¹)
Rhode Island	738.5	160.9	(¹)	196.0	42.8	(¹)	0	0	(¹)	0	0	(¹)
South Carolina	1,122.7	285.7	48.8	307.5	62.8	14.5	306.7	68.9	15.7	97.0	28.2	5.3
South Dakota	2,088.7	(¹)	23.6	399.9	(¹)	6.5	363.8	(¹)	6.4	106.5	(¹)	2.3
Tennessee	1,927.2	796.8	138.4	524.2	199.5	28.2	649.6	191.8	28.0	212.0	57.1	8.8
Texas	9,916.8	(¹)	(¹)	2,660.4	(¹)	(¹)	0	(¹)	(¹)	0	(¹)	(¹)
Utah	1,762.8	328.6	31.0	440.5	107.7	6.8	458.4	103.0	8.1	151.9	30.0	2.6
Vermont	506.9	46.2	15.5	123.4	14.8	5.1	0	0	0	0	0	0
Virginia	554.8	94.1	53.6	194.2	48.3	12.6	0	0	0	0	0	0
Washington	5,125.6	694.8	181.0	1,324.8	161.2	45.2	1,370.7	160.5	45.5	449.9	41.2	10.7
West Virginia	1,580.5	591.6	79.1	346.7	139.3	21.6	351.9	149.4	21.3	80.0	38.5	6.6
Wisconsin	5,826.1	1,236.0	277.5	1,610.4	352.1	66.9	458.3	117.4	21.5	458.3	117.4	21.5
Wyoming	414.6	75.1	25.3	119.9	25.7	6.2	109.8	24.0	5.9	28.1	7.5	1.2

¹ This table is not comparable to tables showing amount of obligations incurred for payments to recipients, which include payments to recipients from Federal, State, and local funds but exclude administrative expense.

² For data for fiscal year 1937-38, see the *Bulletin*, December 1938, p. 75.

³ No plan approved by the Social Security Board for period covered in this column.

Source: Social Security Board, Bureau of Accounts and Audits.

Table 9.—Federal grants to States for administration of unemployment compensation laws and State employment services:¹ Advances authorized and certified² by the Social Security Board to the Secretary of the Treasury for the fiscal year 1938-39 and the first and second quarters of the fiscal year 1939-40, as of Sept. 30, 1939³

[In thousands]

State	Unemployment compensation administration			Employment service administration						
				Under the Social Security Act			Under the Wagner-Peyser Act ¹			
	Fiscal year 1938-39	First quarter, fiscal year 1939-40	Second quarter, fiscal year 1939-40	Fiscal year 1938-39	First quarter, fiscal year 1939-40	Second quarter, fiscal year 1939-40	Fiscal year 1938-39 ⁴	Fiscal year 1939-40		
								Authorizations ⁵	First quarter	Second quarter
Total.....	\$38,542.5	\$12,434.3	\$6,472.2	\$20,218.8	\$7,420.4	\$3,630.1	\$126.6	\$3,246.2	\$794.4	\$787.0
Alabama.....	421.7	96.5	85.5	245.3	55.9	58.1	1.9	69.4	16.2	16.2
Alaska.....	30.2	9.7	7.6	9.4	3.3	2.8	0	10.1	2.5	2.5
Arizona.....	182.4	* 78.6	0	99.4	* 47.5	0	.4	11.6	3.1	3.4
Arkansas.....	232.3	* 142.0	0	115.9	* 53.8	0	2.5	48.7	11.2	11.2
California.....	3,338.2	855.5	808.3	487.6	226.4	205.3	5.7	148.9	37.0	37.3
Colorado.....	247.2	* 146.0	0	146.0	* 78.3	0	.9	27.1	6.3	6.3
Connecticut.....	1,042.0	* 426.0	0	309.5	* 172.5	0	0	42.1	11.5	11.5
Delaware.....	153.9	38.2	39.9	61.1	15.5	12.7	.4	10.5	3.2	3.2
District of Columbia.....	290.3	* 154.1	0	172.7	* 94.4	0	0	0	0	0
Florida.....	334.8	* 189.6	0	160.9	* 114.1	0	1.0	38.5	8.9	8.9
Georgia.....	364.4	109.2	104.7	347.1	93.4	91.0	2.2	70.3	18.7	18.8
Hawaii.....	126.7	34.9	33.2	9.4	2.6	1.2	0	10.8	3.7	3.8
Idaho.....	173.9	* 88.6	0	73.2	* 46.1	0	.6	11.7	2.9	2.9
Illinois.....	950.1	510.0	455.8	402.4	400.2	252.1	6.0	200.2	46.2	46.2
Indiana.....	1,298.5	* 680.4	0	526.9	* 265.9	0	2.7	84.9	21.0	21.0
Iowa.....	424.7	* 202.3	0	231.4	* 127.6	0	2.2	64.8	17.6	17.6
Kansas.....	319.4	* 144.3	0	113.6	54.6	0	3.7	49.3	15.0	15.0
Kentucky.....	492.5	153.5	145.0	146.5	49.5	32.2	3.5	68.5	18.0	18.8
Louisiana.....	520.4	* 188.9	0	273.7	* 186.9	0	1.9	55.1	12.7	12.7
Maine.....	353.0	* 177.5	0	122.0	* 55.1	0	.6	20.9	5.0	5.0
Maryland.....	682.8	* 312.5	0	262.8	* 140.6	0	1.2	42.8	10.0	10.0
Massachusetts.....	2,482.4	632.5	210.8	891.6	275.9	92.0	3.0	111.5	26.1	26.1
Michigan.....	2,055.7	492.9	408.4	1,357.4	418.8	287.2	6.1	127.0	32.4	32.1
Minnesota.....	1,006.3	188.7	164.6	453.7	121.2	118.8	1.3	67.3	15.5	15.7
Mississippi.....	234.5	60.6	52.2	114.7	31.9	32.2	1.4	52.7	12.2	12.2
Missouri.....	708.1	227.5	187.4	543.1	146.4	160.8	3.3	95.2	27.5	27.5
Montana.....	118.9	51.1	38.3	4.5	38.7	27.9	1.0	14.1	3.3	1.9
Nebraska.....	194.0	* 101.4	0	140.6	* 81.8	0	2.0	36.2	8.3	8.3
Nevada.....	94.9	23.1	22.6	59.9	16.3	12.5	.3	10.2	2.5	2.5
New Hampshire.....	236.9	* 92.0	0	105.6	* 56.6	0	.4	12.3	3.7	3.8
New Jersey.....	1,448.3	477.4	400.4	571.6	194.5	183.3	3.8	106.0	24.5	27.2
New Mexico.....	113.4	30.7	26.2	80.7	20.5	11.3	.3	11.1	2.6	2.8
New York.....	4,959.2	1,182.2	1,005.8	4,285.2	1,087.3	899.6	8.9	330.2	76.2	76.2
North Carolina.....	859.4	* 308.4	0	290.1	* 210.5	0	2.2	83.1	21.7	21.7
North Dakota.....	77.0	* 37.3	0	76.7	* 48.9	0	.7	17.9	4.1	4.1
Ohio.....	1,895.4	557.1	503.2	457.7	195.3	110.9	6.5	173.8	40.2	54.9
Oklahoma.....	362.6	* 198.2	0	252.0	* 130.0	0	2.2	62.9	14.8	14.8
Oregon.....	489.4	119.5	127.2	165.1	42.6	39.5	.9	25.0	7.5	8.8
Pennsylvania.....	3,653.7	918.2	952.5	3,019.8	785.3	661.4	20.0	252.6	58.3	58.3
Rhode Island.....	623.9	147.8	146.3	92.7	24.8	20.8	.6	18.0	4.2	4.6
South Carolina.....	340.4	92.1	76.7	136.5	56.3	53.3	1.2	45.6	10.5	10.5
South Dakota.....	95.9	* 5.0	0	34.9	* 5.0	0	.5	18.2	4.2	0
Tennessee.....	503.8	110.0	107.2	372.1	95.1	88.6	3.5	68.7	15.8	15.8
Texas.....	973.1	* 477.3	0	1,006.5	* 563.2	0	9.5	152.8	42.7	42.7
Utah.....	218.2	* 106.2	0	83.5	* 42.7	0	.3	13.3	3.1	3.1
Vermont.....	146.5	* 61.1	0	64.0	* 33.1	0	.3	10.7	2.5	2.5
Virginia.....	614.1	* 304.9	0	232.0	* 114.5	0	1.8	63.5	15.1	15.1
Washington.....	417.0	298.4	124.8	270.9	82.5	78.4	1.3	41.0	11.2	10.0
West Virginia.....	808.8	* 185.8	0	282.2	* 121.5	0	1.3	45.3	11.3	11.3
Wisconsin.....	684.3	176.7	148.3	405.2	100.2	89.1	2.4	77.0	19.2	19.3
Wyoming.....	113.0	31.9	29.2	51.5	15.0	7.2	1.3	10.5	2.5	2.5

¹ Includes for fiscal year 1939-40 grants by the U. S. Employment Service under the Wagner-Peyser Act. On July 1, 1939, the U. S. Employment Service was transferred from the Department of Labor to the Social Security Board. Excludes State and local appropriations to employment service.

² Advances are certified by the Social Security Board to the Secretary of the Treasury for a specified quarter of operation which is not necessarily the period in which certification is made. All grants authorized as of Sept. 30 have been certified with the exception of certain grants authorized under the Wagner-Peyser Act.

³ For data for fiscal year 1937-38, see the *Bulletin*, January 1939, p. 71.

⁴ Includes only grants certified since July 1, 1939.

⁵ Authorizations for entire fiscal year are in addition to amounts certified for first and second quarters.

⁶ Some grants cover first 6 months of fiscal year.

⁷ Certified by the Social Security Board to the Secretary of the Treasury for payment into railroad unemployment insurance account in accordance with sec. 13 (d) and (f) of the Railroad Unemployment Insurance Act. The Connecticut State law does not provide for authorization by the State to the Secretary of the Treasury to transfer funds from the State account in the unemployment trust fund to the railroad unemployment insurance account in the unemployment trust fund. In accordance with sec. 13 (e) of the Railroad Unemployment Insurance Act, therefore, Connecticut withdraws from the unemployment trust fund amounts necessary for administrative expenses under the unemployment compensation law.

Source: Social Security Board (authorizations), Bureau of Accounts and Audits (certifications).

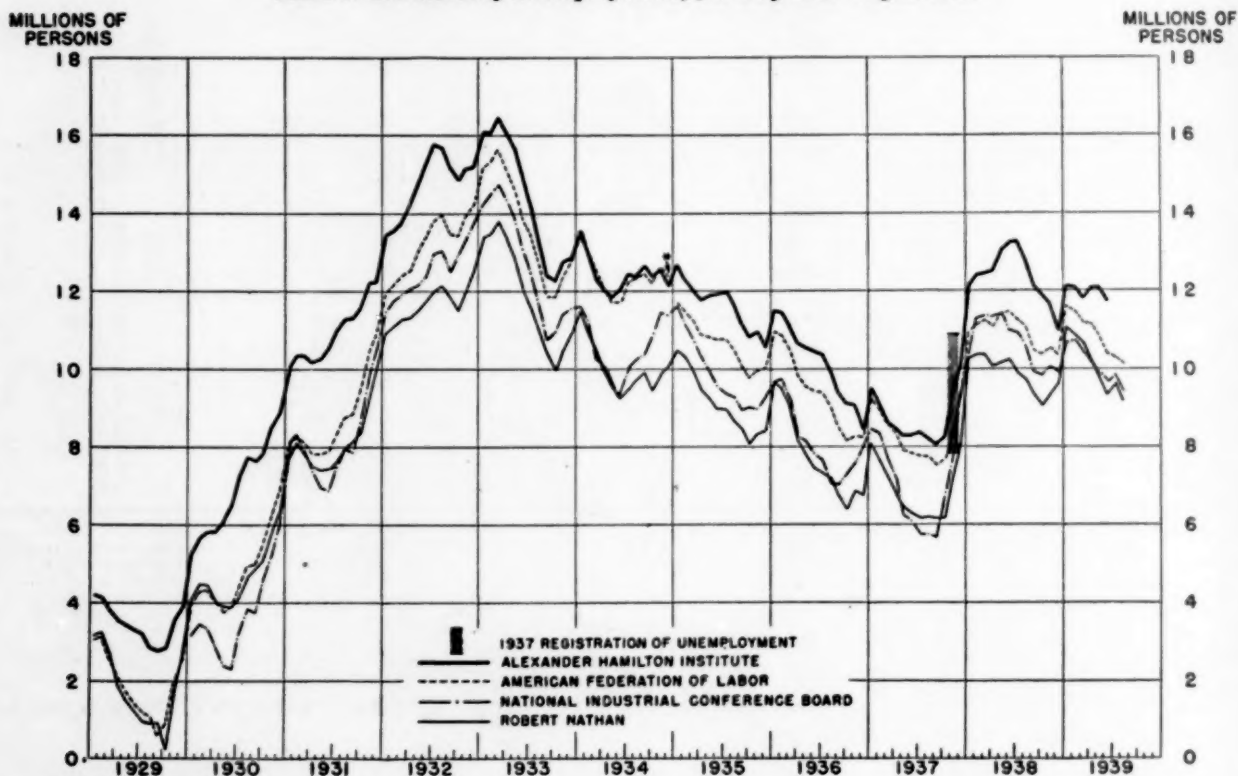
announcement of war. The daily closing average of Dow-Jones industrial stock prices rose fractionally during August but jumped to a peak of 155.9 on September 12. The volume of stocks traded, indicated by the New York Times record of the number of shares sold daily on the New York Stock Exchange, totaled 17.5 million shares during the first week of September, as contrasted with 5.9 million shares during the last week of August. Reflecting the diversion of funds to more speculative investments in stocks, bond prices decreased. The average yield on long-term Treasury bonds, which had advanced fractionally during the summer, increased about 0.5 percent in the latter half of August and the early part of September.

The rise in stock prices and decline in bond prices reflect a very different attitude from that which prevailed in financial markets in 1914. In contrast with the present stock-market rise, the market broke on the announcement of war in 1914, and the exchanges were closed from July 30 to December 12. Bond prices declined only about 3 points from July to December 1914.

The combined index of wholesale prices compiled by the Bureau of Labor Statistics declined slightly in August 1939 from 75.4 to 75.0; the Bureau of Labor Statistics index of retail food prices decreased from 76.5 to 75.1 in August. Hoarding of staple-food commodities by housewives after September 1 not only raised prices but even produced temporary scarcities in retail stores. The President's action in suspending quota restrictions on sugar imports, and the assurances by the Administration officials that surpluses of all foodstuffs were available, were calculated to prevent a sharp price rise and to abate commodity hoarding.

The Department of Agriculture index of prices received by farmers dropped from 89 in July to 88 in August, and the unadjusted combined index of agricultural marketings, compiled by the Department of Commerce, also decreased, from 94 to 84. Sharp increases, however, occurred in prices at commodity markets at the beginning of war in early September, in spite of bumper domestic supplies of wheat, cotton, and pork. Moody's spot commodity index rose to 169 in the first week

Chart I. Estimates of unemployment, January 1929-August 1939



*Revised January 1935 to date.

of September, about 28 points above the last week of August.

The increases in employment and pay rolls are reflected in the adjusted index of income payments compiled by the Department of Commerce which rose from 83.6 in July to 85.6 in August. Three of the four estimates of unemployment shown on chart I declined in July and August, reflecting the increased activity early in the summer.

If, as a result of the European war, marked in-

creases in pay rolls and employment and an inflationary price rise occur, the social security program would be affected at several points. Tax collections based on pay rolls would increase. The public-assistance programs, since they are on a needs basis, would be subjected to a severe strain in a period of sharply declining real income. Moreover, a rapid increase in the cost of living would affect the adequacy of unemployment benefits and old-age benefits.

RECENT PUBLICATIONS IN THE FIELD OF SOCIAL SECURITY

GENERAL

BRYAN, ERNEST R. "America Advances with Social Security." *The Health Officer*, Washington, Vol. 4, Nos. 3-4 (July-August 1939), pp. 104-113. Processed.

A simple description of the social security programs under the act of 1935, with a brief supplementary note outlining the principal changes made by the recent amendments.

COMMERCE CLEARING HOUSE, INC. *Social Security Act as Amended, 1939; With Explanation and Charts of New Provisions, Including Social Security Amendments of 1939, Approved August 10, 1939*. New York, Washington, and Chicago: Commerce Clearing House, Inc., 1939. 131 pp.

A systematic exposition of the law now in force, including an explanatory introduction and the text of the revised act, with analytical tables of contents and a comprehensive index. The appendix contains the sections of the law which are effective only until January 1, 1940.

CORSON, JOHN J. "Advances in Old Age Security." *Survey Midmonthly*, New York, Vol. 75, No. 9 (September 1939), pp. 267-269.

A survey with illustrative examples of "the most important changes in the old age insurance system" effected by the 1939 amendments to the Social Security Act. Mr. Corson finds "two significant shifts in the basic concepts"; namely, greater emphasis on the family group rather than the individual, and more recognition of the protection of society as well as of the individual against dependency resulting from old age or death.

GIBBON, GWILYM GIBBON, and BELL, REGINALD W. *History of the London County Council, 1889-1939*. London: Macmillan, 1939. 696 pp.

The history, administration, services, and external affairs of the governing body of London, written to commemorate the fiftieth year of its work. Chapters deal with public assistance, public health, housing, and other services.

INTERNATIONAL LABOR OFFICE. *The I. L. O. Year-Book, 1938-39*. Ninth year of issue. Geneva, 1939. 440 pp.

The latest yearbook "sets out the outstanding events in industry and labour" for 1938, with some information for the first quarter of 1939. The chapter on social insurance describes the principal world developments in this field and notes that social insurance "is found to be the most effective instrument in a policy of collective protection against the risks inherent in the natural weaknesses of the human organism and the vicissitudes of economic life." Other chapters deal with working conditions, wages, family allowances, migration, labor law, living conditions,

and the particular problems of special groups of workers (salaried employees, professionals, home workers, agricultural workers, seamen, and native labor). Information is also presented on the work of the International Labor Office and other industrial and welfare organizations.

INTERNATIONAL LABOR OFFICE. *Year-Book of Labour Statistics, 1939*. Geneva, 1939. 239 pp. (Parallel French and English text.)

The fourth issue of this comprehensive collection of comparative labor information follows with minor changes the plan of earlier editions. It gives latest available information on population, employment and unemployment, hours and wages, cost of living (including family living studies), migration, and industrial disputes for all countries where such data are obtainable. In all, 72 countries and colonies are represented, although not for all categories of information. The principal sources of information are included.

KOEPKE, CHARLES A., with the assistance of S. THEODORE WOAL. *Changes in Machinery and Job Requirements in Minnesota Manufacturing, 1931-36; A Second Survey of Production Work in Plants of the Minneapolis-St. Paul Area*. Philadelphia: U. S. Work Projects Administration, July 1939. 62 pp. Processed. (Work Projects Administration, National Research Project, in cooperation with Employment Stabilization Research Institute, University of Minnesota. Report No. L-6.)

This study of manufacturing plants in 23 industries is based on a field investigation of factory operations and deals with changes in machinery, methods of working, and job requirements during the period 1931-36. Comparison with changes since 1931 is made on the basis of a similar study conducted at that time by the same author under the auspices of the Employment Stabilization Research Institute of the University of Minnesota. The present work thus shows certain changes that took place in "the characteristics of the personnel employed, the work performed, and the machinery utilized for the processes studied."

MURRAY, MERRILL G. "The New Social Security Amendments." *American Federationist*, Washington, Vol. 46, No. 9 (September 1939), pp. 955-963.

A description of the recent amendments to the Social Security Act, including a brief history of their background and progress in Congress.

NATIONAL CONFERENCE ON SOCIAL SECURITY. *Social Security in the United States, 1939; A Record of the Twelfth National Conference on Social Security, New York City, April 14 and 15, 1939; Together With a Census of Social Security in the United States*. New York: American Association for Social Security, Inc., 1939. 235 pp.

The papers included in the 1939 proceedings of this annual meeting are: Should Children Be Required to

Support Their Parents? by Marc P. Dowdell; The Medical Needs of the Aged and How to Meet Them, by C. F. McCarty; The Housing Requirements of the Aged, by Alfred Rheinstein; How Europe Is Meeting the Housing Needs of the Aged, by Carol Arnovici; Proposed Revision of the Old Age Insurance Program, by J. Douglas Brown; The Menace of Large Reserves, by John T. Flynn; The Differing Concepts of Private and Social Insurance, by Reinhard A. Hohaus; The Security Programs for Railroad Workers, by Murray W. Latimer; Unemployment Insurance System Works in New Hampshire, by Gordon P. Eager; What We Have Learned in Pennsylvania, by Ernest Kelly; Gearing Benefits to Prior Earnings—The Major Difficulty, by Herman A. Gray; Rural and Industrial Problems in the Texas Program, by Orville S. Carpenter; Back to First Principles in Unemployment Insurance, by E. Wight Bakke; Correlating Unemployment Insurance and Home Relief, by William Hodson; Integrating Unemployment Insurance With Work Relief, by William Haber; An Integral Program of Social Security, by Abraham Epstein; American Medicine Faces Health Insurance, by Morris Fishbein; The Case for Health Insurance, by Helen Hall; The Case of the Progressive Physician, by Hugh Cabot; A Doctor's Diagnosis of Health Insurance, by George W. Jones; Making Old Age Security Work, by M. Albert Linton; The Larger Goal of Social Security, by George E. Bigge; Automobile Accidents—A Social Security Problem, by Stanley M. Isaacs; Beyond the Social Security Goal, by Carl W. Hatch. Each group of papers is followed by discussion. The volume also includes a statistical summary of old-age insurance and unemployment insurance.

"Social Insurance in the Netherlands." *International Labour Review*, Geneva, Vol. 40, No. 3 (September 1939), pp. 338-364. (Reports and Enquiries.)

A comprehensive review of the present status of social insurance in the Netherlands, with a discussion of proposals for reorganization. Includes a classified bibliography of reports, periodicals, and other publications.

STOCKHOLM. STATISTICAL OFFICE. *Stockholm of Today; Life and Progress in Sweden's Capital*. Stockholm, June 1939. 130 pp.

A popularly written survey, with numerous photographic illustrations, of the governmental services of Stockholm, including assistance to the needy, public health, employment offices, maternity assistance, and cooperatives. Several sections are devoted to housing, since the book was prepared in connection with the International Congress for Housing and Town Planning. The work is a companion volume to *Social Work in Stockholm*, published in 1937.

U. S. WORK PROJECTS ADMINISTRATION. NATIONAL RESEARCH PROJECT ON REEMPLOYMENT OPPORTUNITIES AND RECENT CHANGES IN INDUSTRIAL TECHNIQUES. *Industrial Change and Employment Opportunity—A Selected Bibliography*. Philadelphia: U. S. Work Projects Administration, July 1939. 254 pp. Processed. (Report No. G-5.)

This extensive selected bibliography of approximately 2,500 titles "is a byproduct of the studies of the National Research Project, thus far embodied in more than 50 separate reports." The main divisions are: general background; changes in industry; changes in labor supply, employment, and unemployment; attitudes of labor toward technological changes; and adjustments and remedies (including unemployment insurance and relief and public works). The bibliography was prepared under the supervision of Alexander Gourvitch, assisted by Carolyn Blanks, Marion Hayes, Esther Skala, and Sophie Udin.

WATT, ROBERT J. "United States Experience Under the Social Security Act." *Canadian Congress Journal*, Ottawa, Vol. 18, No. 8 (August 1939), pp. 24-28.

The background of the Social Security Act is briefly outlined, all the programs are described, and statistical information is briefly presented on the principal activities. Writing with respect to possible amendments, Mr. Watt states that the "growing structure of Social Security" is "shaped to meet the experiences, needs, and wishes of the masses of people whom it was designed to benefit. Labor believes it is a sound investment and for the national economic good as well as for human welfare."

WATTERS, THOMAS, JR. "The Legal Effect of Social Security Legislation." *Recent Insurance Management Developments*, American Management Association, New York, 1939, pp. 3-7. (Insurance Series, No. 33.)

A brief description of the old-age insurance and unemployment compensation programs under the Social Security Act, with emphasis on the "far-reaching importance" of the law, "both as a social experiment and as a revenue-collecting mechanism."

WEINTRAUB, DAVID. *Effects of Current and Prospective Technological Developments Upon Capital Formation*. Philadelphia: U. S. Works Progress Administration, March 1939. 22 pp. Processed. (National Research Project on Reemployment Opportunities and Recent Changes in Industrial Techniques. Report No. G-4.)

"In this paper it is intended to pass in review some of the outstanding technological changes of recent years, now under way or impending in the immediate future, and to see whether the recent low levels of production in the capital-goods industries are not in some manner associated with the character of these changes." Mr. Weintraub's paper was read at a joint meeting of the American Economic Association and the American Statistical Association at Detroit last December, and was published in the *American Economic Review*, Supplement, for March 1939.

HEALTH AND MEDICAL CARE

BAEHR, GEORGE. "A Consultation Service Limited to Patients of Low Income." *Journal of the American Medical Association*, Chicago, Vol. 113, No. 12 (September 16, 1939), pp. 1135-1138.

A summary of experience with a "Consultation Service for People of Moderate Means," established in 1931 by the medical staff of the Mount Sinai Hospital in New

York City. The service is limited to comprehensive diagnosis of persons referred by private physicians. Previous articles on the plan appeared in the *Journal* for June 11, 1932, and April 21, 1934.

BERNHEIM, BERTRAM M. *Medicine at the Crossroads*. Foreword by J. M. T. Finney. New York: William Morrow & Co., 1939. 256 pp.

An analysis of social and economic aspects of the medical profession from the standpoint that fundamental changes are inevitable and should be concurred in and to a large extent directed by the doctors themselves. A discussion of new trends follows several chapters on the inability of the profession as now organized to assure either patient or doctor the best results for money and effort expended. Group practice and hospital-care insurance are recommended, and health insurance—which is regarded as inevitable—is shown to offer certain basic advantages to patients and doctors. The appendix contains the text of the "Principles and Proposals" of the "430 Committee of Physicians," of which the author is a member.

DAVIS, MICHAEL M. "Hospitals and the Health Program." *Modern Hospital*, Chicago, Vol. 53, No. 3 (September 1939), pp. 89-90.

A discussion of the proposals of the National Health Conference of 1938 and of the Wagner national health bill as they affect private hospitals. Careful local and national study by hospital-governing authorities is recommended in order to assure "working out satisfactory principles and procedures of relationship with governmental agencies during the next few years."

DAWSON, MARSHALL. "Coverage Limitations of Workmen's Compensation Laws." *Monthly Labor Review*, Washington, Vol. 48, No. 6 (June 1939), pp. 1267-1281.

This recent article in a series estimates that of about 42,500,000 employed workers in the United States on December 1, 1938, about 17,000,000 were covered by workmen's compensation. Various exemptions and exclusions are discussed, and examples of special coverage difficulties as well as administrative problems affecting different types of acts are noted.

HAMPTON, BROCK C. "The Public Health Service Leaves the Treasury Department." *Public Health Reports*, Washington, Vol. 54, No. 26 (June 30, 1939), pp. 1133-1143.

"A brief review of the history and evolution of the Service," which until its recent transfer to the Federal Security Agency had been in the Treasury Department since 1798.

LEWIS, SAMUEL R. "The Dental Aspects of Workmen's Compensation Insurance." *Journal of the American Dental Association*, Chicago, Vol. 26, No. 8 (August 1939), pp. 1388-1398.

Description, with tables, of the amount of dental work done in connection with workmen's compensation, of fee schedules, and of practices respecting choice of dentist by the injured employee. Recommendations are indicated for the application of experience in this field to possible compulsory health insurance programs.

RICHARDSON, WILLIAM ALAN. "Health Insurance Hurdles." *Medical Economics*, Rutherford, N. J., Vol. 16, No. 12 (September 1939), pp. 27-29.

Five problems said to confront organizers of voluntary medical insurance plans are briefly discussed: "(1) the problem of obtaining permissive legislation; (2) determining the proper scope of each enterprise; (3) devising a satisfactory system of control; (4) deciding on the benefits and exclusions; and (5) computing premiums, fees, and costs on an actuarially sound basis."

TAYLOR, FRANK J. "Group Medicine at Work." *American Mercury*, New York, Vol. 47, No. 188 (August 1939), pp. 472-475.

A brief account of the Ross-Loos Medical Group of Los Angeles, which is now in its eleventh year.

WARD, MARCUS L. "President's Address: The Need for Cooperation of the Public, the Health Service Professions and the Government." *Journal of the American Dental Association*, Chicago, Vol. 26, No. 9 (September 1939), pp. 1441-1450.

A general discussion of the mutual responsibility of dentists and doctors, government, and the public in combining to solve present problems concerning the quality of medical care and the methods of paying for it. Unification of existing Federal health services and drastic modification of the Wagner national health bill are among the points suggested.

WATERSON, ROLLEN W. "A New Feature in Indigent Medical Care." *Journal of the American Medical Association*, Chicago, Vol. 113, No. 12 (September 16, 1939), p. 1135.

The recently adopted plan of medical relief for the needy in Lake County, Indiana, is described by the executive secretary of the County Medical Society.

PUBLIC WELFARE AND RELIEF

BIEHL, KATHARINE A. "Agencies Serving Dependent Children, December 31, 1938." *Federator*, Pittsburgh, Vol. 14, No. 8 (September 1939), pp. 216-226.

The second article in a series analyzing a census of dependent children in Pittsburgh. It deals with the practices of 59 child-care agencies in determining the degree of specialization—by sex, color, religion, etc.—in children served.

CARMICHAEL, F. L., and NASSIMBENE, R. *Changing Aspects of Urban Relief*. Washington: U. S. Government Printing Office, 1939. 93 pp. Processed. (U. S. Works Progress Administration, Special Report.)

Consolidates facts about direct relief which were obtained from studies made in 1935 and published in that year and in 1936 by the Federal Emergency Relief Administration and the Works Progress Administration. The purpose is to clarify "some of the salient features of direct relief under the Federal Emergency Relief Administration" by describing its operation "in a representative sample of 13 cities during the year 1935 when the transfer from direct relief to the Works Program was made."

The following general subjects are treated: proportion of the population receiving relief or wage assistance; trends of the relief and wage assistance load; accession and separation rates; reasons for opening and closing relief cases; occupational and industrial shifts of experienced workers; supplementation of private-employment earnings with relief; unemployment duration and reemployment; and transfer to the works program. About half the volume consists of appendixes which give the information in statistical detail.

CITIZENS' BUREAU OF MILWAUKEE. *Public Relief Costs of 1938—\$118,000,000 for Wisconsin; \$38,000,000 for Milwaukee County.* Milwaukee, March 1939. 17 pp. Processed.

Statistical summary of all types of relief and assistance in Wisconsin and Milwaukee, with supplementary comment.

DURANT, RUTH. "Home Rule in the WPA." *Survey Midmonthly*, New York, Vol. 75, No. 9 (September 1939) pp. 273-275.

The author affirms that in terms of international comparisons the Works Progress Administration has been "the most successful device anywhere adopted to alleviate unemployment." Some shortcomings are analyzed, with special reference to North Carolina, and the conclusion is drawn that "local control is the source of the very weaknesses which the critics propose to remedy by increasing local control."

FEENEY, ELEANOR. "'I'm Not Too Old for Goings On.'" *Survey Midmonthly*, New York, Vol. 75, No. 9 (September 1939), pp. 275-276.

An account of some recreational activities in the Old Age Assistance Service of the Cook County Bureau of Public Welfare, Chicago.

GREAT BRITAIN. UNEMPLOYMENT ASSISTANCE BOARD. *Report . . . for the Year Ended 31st December 1938.* London: H. M. Stationery Office, 1939. 198 pp. (Command Paper 6021.)

The Fourth Annual Report of the Unemployment Assistance Board describes national and regional operations during 1938 to provide assistance to needy unemployed persons who were not entitled to insurance benefit. Among the special activities reported was the application of regulations permitting special winter assistance in appropriate cases. There was also an inquiry into the position of male applicants under 30 years of age who had either exhausted right to insurance payments or had never had enough work to qualify for insurance benefit. The scope of the Board's activities is shown to some degree by the fact that £39,170,000 was expended, of which 11 percent was for administrative expenses. An average of 554,500 payees received assistance payments averaging 24 shillings per week.

"Housing of Dependent Aged." *Monthly Labor Review*, Washington, Vol. 49, No. 2 (August 1939), pp. 295-301.

A summary, from various sources, of the rapidly growing number of projects for housing aged persons, particularly recipients of old-age assistance. Apartments, cooperative

houses or clubs, boarding homes, and a colony in Cumberland County, New Jersey, are described.

KAHN, DOROTHY C. "Democratic Principles and Public Assistance: Case Work in Determining Eligibility." *The Compass*, Albany, Vol. 20, No. 10 (August 1939), pp. 3-8.

A number of general hypotheses concerning the relationship between government and poverty are developed as a means of deciding whether the principles of democracy and case work are compatible in the administration of public assistance. It is concluded that "there is no greater therapy than that which uses the democratic principles underlying the social function of government to help individuals to free themselves from the spiritual disfranchisement of dependency."

LECKRON, FRANCES. "Study of Policies in Budgeting Public Assistance." *Kansas Government Journal*, Lawrence, Vol. 25, No. 9 (September 1939), pp. 40 and 42.

The results of a questionnaire answered by 14 counties in northeast Kansas respecting relief and assistance budget practices, including vegetable gardens, surplus commodities, rent, utilities, medical service, and other points.

"Old Age and Blind Pensioners in Canada; Financial and Statistical Summary as at June 30, 1939." *Labour Gazette*, Ottawa, Vol. 39, No. 8 (August 1939), pp. 805-806.

A summary of Canadian legislation for the needy aged and blind, with tables giving concise statistical information for each province.

THORNDIKE, ELIZABETH F. and R. AMORY. *Survey of the Town Relief Situation, Bar Harbor, Maine.* Submitted to the Board of Selectmen, January 1939. 51 pp.

Contains a description of relief agencies, an analysis of 153 dependent families in Bar Harbor, a comparison with relief practices in five other New England towns, and recommendations.

UNEMPLOYMENT AND UNEMPLOYMENT COMPENSATION

BLACK, W. D. *Pitfalls of Unemployment Insurance; Can Canada Walk Where Europe Stumbles?* Address . . . at the 68th Annual General Meeting, Canadian Manufacturers' Association . . . June 21, 1939. Toronto: Reprinted from *Industrial Canada*, July 1939. 30 pp.

Emphasizes the financial difficulties encountered by the British and German systems of unemployment insurance and recommends for Canada an adaptation of the Belgian or Swiss programs, which are partly voluntary, largely decentralized, and supported almost entirely by employees and the State. Discussion following the paper supports and amplifies the position of Mr. Black, who was president of the Canadian Manufacturers' Association during 1938-39.

LESTER, RICHARD A., and KIDD, CHARLES V. *The Case Against Experience Rating in Unemployment Compensation*

tion. New York: Industrial Relations Counselors, Inc., 1939. 59 pp. (Industrial Relations Monographs No 2.)

In the first monograph to appear in this series, Herman Feldman and Donald M. Smith defended experience or merit rating and described a proposed method. The present work finds an "unequivocal" case against experience rating and assesses the arguments in its favor as "contradictory, confused and flimsy." The thesis is developed through a series of briefly treated topics, including the nature of unemployment compensation, the unemployment problem in the United States, and experience rating in relation to unemployment and to employment stabilization. A bibliography is included.

LIVELY, C. E., and TAEUBER, CONRAD. *Rural Migration in the United States*. Washington: U. S. Government Printing Office, 1939. 192 pp. Processed. (U. S. Works Progress Administration, Research Monograph XIX.)

A "comprehensive analysis of rural migration in the United States," undertaken "for the purpose of providing a better understanding of the extent and nature of rural population movements and of the relation of these movements to such significant social and economic factors as quality of land, economic status, population growth, depression, drought, unemployment, and the need for public works programs and relief." Census data form the basis for much of the analysis and are supplemented by the results of interviews with 22,000 families in rural areas of seven States. The volume contains appendixes of supplementary tables, notes on methods, and a selected bibliography of more than 125 books and articles.

MALISOFF, HARRY. "The Emergence of Unemployment Compensation. II. The Provisions of the Unemployment Compensation Acts." *Political Science Quarterly*, New York, Vol. 54, No. 3 (September 1939), pp. 391-420.

Having developed general backgrounds of unemployment compensation in an earlier article, the author considers the provisions of State legislation "relating (1) to the kind of compensation or insurance fund from which payments to unemployed insured persons are made; (2) to the contributory sources, or the mode of financing the systems together with 'merit rating' . . ." The evolution of ideas leading to the present State laws is traced through the Wisconsin bills, the Ohio report of 1932, the 1935 report of the Committee on Economic Security, the draft bills of the Social Security Board, the attitude of organized labor, and the actual trends in State legislation. A final article will deal with the amount and duration of benefits.

McWILLIAMS, CAREY. *Factories in the Field; The Story of Migratory Farm Labor in California*. Boston: Little, Brown, 1939. 334 pp.

A history of the agricultural labor market of California which emphasizes the role of land monopolies and mechanized farming operations as the principal causes of the present status of migratory labor. The author traces all the racial immigrations contributing to land development and gives in some detail the story of past labor movements, their activities, and their opposition. While holding that methods exist for solution of the farm-labor problem in the State, Mr. McWilliams declares that the present "anachronistic system of ownership" must give way to "collective agriculture" before such a solution will be reached.

NEW YORK STATE. DEPARTMENT OF LABOR. DIVISION OF PLACEMENT AND UNEMPLOYMENT INSURANCE. *Second Report on Partial Unemployment . . . February 1, 1939*. 3 vols. Processed. New York and Albany, 1939. Prepared by the Bureau of Research and Statistics.

The first volume contains the report of the Committee on Partial Unemployment, which found that "the time has not yet come for the introduction of partial unemployment insurance in the State of New York." Volume 2 also presents the report, together with more detailed conclusions and recommendations, a review of the administrative setting in New York, a discussion of benefit payments in other States, and quotations from representative opinions on benefit payment. The third volume analyzes payments in six selected States and New York, and presents an analysis of existing and proposed benefit provisions. There are also four special studies on unemployment insurance in France, Switzerland, Belgium, and Germany. A classified bibliography is included.

"Pennsylvania's Unemployment Compensation Disbursements to Out-of-State Claimants." *Trends and Totals; A Monthly Statistical Bulletin*, Harrisburg, Vol. 2, No. 7 (July 1939), pp. 5-8. Processed.

An analysis of unemployment benefit payments made by Pennsylvania to claimants in other parts of the United States. Includes a tabular summary of such payments by the local offices in the State.

TODD, CHARLES L. "Trampling Out the Vintage." *Common Sense*, New York, Vol. 8, No. 7 (July 1939), pp. 7-8 ff.

A description of benefits resulting to migratory agricultural workers in California from the labor camps of the Farm Security Administration. Emphasis is placed upon public opinion in the Imperial Valley concerning the camps.